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ON

FINANCIAL REFORM.

BY

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ERRATA.

Page 223, line 19, *for* " 102,267," *read* " 95,000."

Same page and line, *for* " 15,000," *read* " at least 9,000."

FINANCIAL REFORM.

CHAPTER I.

TAXATION.

ALTHOUGH it may be impossible to relieve industry from all those taxes which are injurious to it, no attempt can be made towards accomplishing this object, without producing a great public benefit; and as, perhaps, the general distaste for close and accurate reasoning respecting the effects of taxation, may have led to exaggerated notions of the difficulty attending the undertaking, no one ought to feel discouraged from making the attempt to shew,—if, after a full consideration of the subject, he thinks he can do so,—that many taxes might be repealed and many reduced, without any risk

of not securing a sufficient revenue for all the services of the state.

But on entering upon a discussion, having this object in view, it is necessary to make some preliminary remarks on Taxation in general, for the purpose of explaining the circumstances which enable a country to bear a heavy amount of taxes, without being prevented from progressively becoming more industrious, more rich, and more powerful.

It would appear that the pressure of the taxes is too commonly estimated with reference only to the total amount of revenue which is levied by them, without duly considering the amount of the national income, consisting of the incomes of all classes of the community out of which the taxes are paid. But this is a very erroneous way of forming conclusions, with respect to the degree in which the taxes affect the public. For if the income of the country has been going on increasing in a greater proportion than taxation has been increased, the pressure of it will be less, though its amount may be

double or treble what it formerly was. So also, if the national income shall continue to go on increasing, taxation may be still considerably increased, beyond what it is now, without any real increase of burden on the community.

There is another circumstance connected with the question of the degree in which the taxes are oppressive, which is seldom noticed, namely, the different effects produced by different kinds of taxes. As it is clear, that security and good order are productive of universal advantage, and that without them there would not be any considerable accumulation of wealth, no individual can justly complain, that he is made to contribute, in the same proportion to his means as others, for their attainment ; but in selecting the taxes, a great deal of injury may be done to individuals, and to the public at large. If taxes fall on industry, that is, on raw materials, on manufactures, on food, or on the profits of capital, they diminish the employment of capital and labour, and check the accumulation of

new capital. But if taxes fall on persons not in business, who have incomes derived from the rent of land, tithes, dividends on stock, interest on mortgages, salaries under government, and other incomes of the same kind, industry is not injured by such taxes, and the country may go on paying them without any impediment to her becoming richer and richer. So that, before a correct opinion can be formed of the actual effects of taxation, it is necessary to examine and make a distinction, between the portion of taxes which falls on industry, and that which does not.

There is still another circumstance to be mentioned, as connected with the pressure of taxation, which is not often taken into consideration,—namely, the effect of monopolies and protections, in raising the prices of the numerous commodities which are the subjects of them. These monopolies and protections impose, by increased prices, burdens on the public, not for any purpose of common utility or national advantage, but to support some favoured trades.

If the effect of the corn laws is, at least, to raise the price of corn five shillings a quarter, this advance on the quantity annually consumed, taken at 50,000,000 quarters, creates a charge on the public of 12,500,000*l.* a-year. If the protecting duties on East Indian and foreign sugars advance the price of sugar only one penny a pound, this advance on the quantity annually consumed, namely, 380,000,000 pounds, is a tax on the public of 1,500,000*l.* a-year. If the East India Company's monopoly makes the price of tea (exclusive of duty) double what it is at New York and Hamburgh, as is the case, it imposes a tax of at least 2,000,000*l.* a-year in the form of increased price; and the monopoly of the timber trade enjoyed by the ship-owners and Canada merchants, costs the public at least 1,000,000*l.* a-year; so that by these monopolies and protections, 17,000,000*l.* a-year are taken from the pockets of the people, just as if corn, sugar, tea, and timber, were taxed to that amount, and the produce paid into the Exchequer. These monopolies and protections press on

the resources of the country, exactly in the same way as a similar amount of taxation, and thus make the taxes appear to be much more burdensome than they really are.

It is because these circumstances are not duly attended to, that so much is heard of the suffering and injury that the taxes produce; of the ruin they have brought on our manufactures and commerce; and of their having made it impossible for this country to embark in a new war, without encountering the greatest financial difficulties, and incurring the risk of bankruptcy. But these notions are only in part well-founded; for, notwithstanding the very injurious effects of many of the taxes, taxation has not yet been carried to such an extent, as to place this country either in a declining or stationary state with respect to its agriculture, manufactures, and commerce. This is a conclusion come to by reasoning on facts, that shew the continued accumulation of wealth, in defiance of all impediments. It is a conclusion, in no degree originating in any preconceived theory; nor

does it lose any of its claim to have confidence placed in it, by its being directly opposed to the opinion of a number of persons, who maintain that the nation is in a declining state ; because these persons wholly omit to sustain that opinion by any reasoning whatever. They merely exclaim, Look at the national debt, the taxes, the distress of agriculture and manufactures ; but they forget that the country was in the highest state of prosperity in the years 1823, 1824, and 1825, with the same debt and taxes that now exist ; and that similar commercial distress to that which now prevails, is a matter of regular recurrence, and is as regularly followed by recovery, as soon as the disturbed proportion of supply and demand is restored, as it is sure to be, to its proper ratio.

The history of this country shews that temporary interruptions have been constantly mistaken for symptoms of habitual decline ; and those persons who now maintain the country is in this state, in ignorance of this historical fact, are committing the same error which has been so often made and so often

exposed. It has been remarked, that the English are more inclined than any other nation to view the dark side of the prospect, to fear every thing, and hope for nothing. Whenever the manufacturers suffer a reduction in their profits, and landlords find a difficulty in obtaining their rents, distress is universally proclaimed, and every one concludes the country is undone.

Similar desponding apprehensions have been publicly avowed at different times, by persons of respectable authority in other respects, in the course of the last hundred and thirty years, during which period the nation has been continually making progress in happiness and prosperity. Dr. Davenant, in describing the state of public affairs in 1699, says, "our gold and silver will be carried off by degrees; rents will fall; wool will sink in its price; our stock of ships will be diminished; farm houses will go to ruin; industry will decay; and we shall have upon us all the visible marks of a declining people."* In 1736 the Craftsman says, "the

* Essay on the Balance of Trade.

vast load of debt under which the nation groans is the source of all those calamities and gloomy prospects of which we have so much reason to complain: to this has been owing that multiplicity of taxes, which have more than doubled the price of the common necessities of life, and thereby distressed the poor labourer and manufacturer; disabled the farmer to pay his rent; and put even gentlemen of plentiful estates under the greatest difficulty*.” Dr. Chalmers, in describing the state of the country in 1775, says, “yet prosperous as our affairs had been during the short peace of 1763, they were represented by an analogous spirit to that of 1738, either of designing faction or of interested folly, as in an alarming situation. The state of things, it was said, is approaching to an awful crisis. The navigation and commerce by which we rose to power and opulence are much on the decline; our taxes are numerous and heavy; an enormous national debt threatens the ruin of

* No. 502. 14th Feb. 1736.

public credit ; our labouring poor are forced by hard necessity to seek that comfortable subsistence in distant colonies which their industry at home cannot procure them *." It would not be difficult to make many additions to the above extracts, were it necessary to adduce further proof that ill-founded apprehensions have led to repeated errors in considering temporary defalcations as infalible symptoms of a fatal decline †. But at the same time it must be confessed that, while there is no reason for placing any reliance on the predictions which are now so confidently made of approaching and inevitable decline, the preservation of what we have acquired, and the future progress of public prosperity, are subjects entitled to inspire deep and constant anxiety.

With respect to the evils which the taxes occasion, the true state of the case is, that

* Estimate, p. 153.

† See Sir John Sinclair's History of the Revenue, Appendix, vol. ii., p. 51., in which extracts are given from twenty-two authors, to shew that the nation was actually undone at different periods between 1688 and 1783.

certain of them, which fall on raw materials and manufactures, and others which are carried to an excess on some of the principal articles of consumption (together producing a revenue of about 11,000,000*l*.*) are as injurious as it is possible for taxes to be; but that the rest of the taxes, which produce about 47,000,000*l*. †, are paid, for the most part, voluntarily, and out of the surplus of the incomes of individuals over and above what is requisite for purchasing the necessities of life; and although they carry with them those general inconveniences and vexations which are common to all taxes, they are not oppressive and destructive in the way they are commonly supposed by those persons to be, who, for want of sufficient

* The taxes on raw materials yield 6,000,000*l*. a-year; those on manufactures 2,000,000*l*., and that part of the revenue levied on tobacco and foreign spirits, which may be considered as obtained by the duties on those articles being too high, and injurious to industry and trade, may be estimated at 3,000,000*l*.

† The gross amount of the ordinary revenue is stated by the Committee of Finance to have been, in 1827, 58,700,000*l*. Fourth Report, p. 2.

examination into their real effect, imagine that all the taxes are equally injurious. So long as a revenue of 58,000,000*l.* must be raised for the public service, the above-mentioned large portion of it is obtained in a way but little liable to any real objections; and if the remainder was provided by taxes of the same kind, the whole revenue would be paid without any serious injury; because, notwithstanding the large amount of the charge, the stock of national wealth is so great in proportion to it, as to be fully able to bear it. It is by reasoning in this manner, with reference to the relation between what is to be paid and the means of paying it, that the true state of the case with respect to the pressure of taxation can be best understood, and those errors avoided which are the grounds of the opinions on which it is maintained that the taxes cannot be paid without some change in the currency, or some other expedient *.

* The administration of Lord Liverpool is entitled to the gratitude of the public for the ability and courage with which it undertook and accomplished the restoration of the

With respect to what are called our financial difficulties, and about which so much alarm is felt, they are not so much present as prospective difficulties. The Treasury easily finds means for paying all demands upon it; and we may rest assured that, whatever the difficulties may be under which the country is at present placed, they may be made to yield to sound principles of legislation.

With respect to prospective difficulties, the notion of them arises from apprehensions of the effects of a new war on our commercial and financial interests. The debt, which has been so little reduced during so long a course of peace, will, according to all that is known of the means by which ministers propose to manage the finances, rapidly accumulate on the recurrence of

currency to its old standard. The flourishing state of the revenue, of trade, of manufactures, and of agriculture in the years 1823, 1824, and 1825, during which Mr. Peel's bill was in full operation in bringing about the change, is a fact that completely exposes the error which those persons have fallen into, who attribute every modern public calamity to that measure.

another war; and it is impossible for any one, at least who believes no better means can be devised, not to feel great uneasiness at the prospect of a very large addition of permanent taxes, for the purpose of paying the interest on new loans. But, in point of fact, there would be no ground for anticipating any peculiar degree of embarrassment in the event of a war, if all was now done, that ought to be done, for conducting our financial affairs in a proper manner. If the unfunded debt was reduced to a few millions; if the currency was secured by reforming the banking system; and if the foundation was laid for imposing war-taxes as soon as a war should take place, there ought to be no greater difficulty in commencing and carrying on a new war, than has been experienced on former occasions.

But it is by no other means than by applying the most unremitting care and superintendence, directed on sound principles, to our finances, that they can be preserved from those difficulties in which already they are supposed to be involved.

With a skilful management of them, we may trust to the further increase of our productive industry for carrying us through new difficulties, in the same way that it enabled us to provide the expenses of the last war ; and if we remove the impediments with which bad laws still clog the activity and energy of individuals, we shall render productive industry even still more efficient than heretofore in creating new wealth.

The want of attention to the principle of increasing productive industry to increase the sources of taxation, has led to much erroneous reasoning on the subject of taxation. For nothing can be more certain, than that the amount of the produce of national industry taken by a government in the shape of taxes, may be regularly increased in every country in which the arts are progressive, without occasioning any additional burden to the people. Every new invention and discovery by which the production of commodities can be facilitated, and their value reduced, enables individuals to spare a larger quantity of them for the

use of the state. This shews that governments have precisely the same interest as their subjects in facilitating production. Public wealth is merely a portion of private wealth transferred from individuals to government; and the greater the wealth of individuals, the greater will be the magnitude of the portion they can conveniently spare for public purposes*.

The amount of the income of Great Britain at the revolution has been commonly computed at 43 millions. Mr. Arthur Young, in his work on Political Arithmetic, published in 1776, computed the national income at 100 millions†. Mr. Lowe says, in his work on the State of England, that the *taxable* income of it amounted, in 1793, to 125 millions; and in 1806, to 170 millions‡. Of late years, the general income of Great Britain has been computed at 300 millions§. Mr. Ricardo says, in his work on the Prin-

* See the Supplement of the Encyclopædia Britannica, vol. vi. p. 689. Article, "Taxation."

† Sir John Sinclair's History of the Revenue, vol. i. p. 337.

‡ Appendix, p. 32. § Sup. Enc. Br. vol. vi. p. 643.

ciples of Political Economy, published in 1819, "Notwithstanding the immense expenditure of the English government during the last twenty years, there can be little doubt but that the increased production on the part of the people has more than compensated for it. The national capital has not merely been unimpaired, it has been greatly increased; and the annual income of the people, even after the payment of their taxes, is probably greater at the present time than at any former period of our history. For the proof of this, we might refer to the increase of population—to the extension of agriculture—to the increase of shipping and manufactures—to the building of docks—to the opening of numerous canals, as well as to many other expensive undertakings, all denoting an immense increase both of capital and of annual production*." As ten years have elapsed since Mr. Ricardo wrote this opinion, and as similar proofs can be referred to, to shew a continued in-

* Third Edition, p. 164.

crease of production, the conclusion is, that the national capital and income are now much greater than they were in 1819.

The increase of a million a year in the rateable income of Lancashire, stated by Mr. Peel in the House of Commons to have taken place between 1815 and 1829, sustains this conclusion*.

The following account of the consumption of the undermentioned articles, in the years 1790, 1815, 1827, and 1828, fully corroborates all that has been just said with respect to the progressive increase of national wealth.

	1790.	1815.	1827, or 1828.
Cotton Wool . . .	31,400,000 lbs.	99,300,000 lbs.	249,700,000 lbs.
Sheep's Wool . . .	3,200,000 „	14,900,000 „	30,200,000 „
Raw Silk . . .	745,000 „	1,400,000 „	4,200,000 „
Tallow . . .	225,000 cwt.	641,000 cwt.	1,100,000 cwt.
Flax . . .	237,000 „	351,000 „	876,000 „
Bricks and Tiles . .	727,000,000 No.		1,381,000,000 No.
Candles . . .	54,000,000 lbs.		117,000,000 lbs.
Soap . . .	45,000,000 „		115,000,000 „*

* Mirror of Parliament, June 12, 1829, p. 2099.

† See Parliamentary Papers, Session 1829, No. 324. No. 50, No. 218, No. 211, No. 413, No. 321; and Tooke on Prices, Appendix II.

As the quantities of the three last articles are not given in the Parliamentary Papers for 1815, the progressively increased consumption may be shown by the revenue received from the duties on them, these not having been altered. Revenue received—

	1815.	1828.
Bricks and Tiles -	£265,000	£356,000
Soap - - -	678,000	1,210,754
Candles - - -	294,000	497,000*

As to our future prospects, there is no reason to doubt that a continued augmentation of capital will take place even in defiance of many obstructions. The same moral, physical, and external causes, which have contributed to the existing amount of national wealth, are still in operation. The free constitution of the government; the exact administration of the laws; the protection afforded to foreigners; and the toleration of all religions, will produce the same effects they have hitherto done. The improved manner of conducting business and

* See Annual Finance Account for 1816 and 1829.

speculations, among the higher mercantile and manufacturing classes, and the activity, perseverance, and increased knowledge of the working class, will cause their future efforts of industry to prosper. Our natural productions of iron, coal, and other articles of raw materials, will preserve our superiority in manufactures over other nations; while a reformed management of our foreign possessions, and a more enlarged system of free trade, will produce an extension of our markets. Whatever evils press just now on our manufactures, the more we examine our situation, the more we shall find it possible to trace them to causes of a temporary character *.

* The following statement appeared in the *Northampton Mercury*, early in November, 1829 :—

“ In reference to domestic affairs, it gives us infinite satisfaction to be able to report the prospect of the state of trade, is become more and more cheering. The crisis of commercial distress is generally considered to be over by competent judges; and a resumed activity is reported from most of the great manufacturing districts. From Liverpool, extensive transactions are reported in cotton wool; and as might be expected, the accounts for the last few weeks are all confirmatory of activity in the cotton manufactures. At

Our improvements, whether in agriculture, manufactures, or foreign trade, are still very far from having arrived at a limit ; and no country possesses in its resources greater means of continuing in a career of advancement. If, then, peace continues, there can be no doubt that the national capital and income will become much greater than they now are. The first effect of this will be to make the taxes so productive of revenue, as to allow of some of them being repealed ; but the main and most important effect will be, that the power of paying taxes will admit of the expenses of future wars being wholly defrayed by war taxes, so that no addition need be made to the national debt. If the progress of wealth be not interrupted, this is the state to which the country would certainly arrive, by continually becoming richer ; and as this would get rid of all danger and difficulty about the national debt,

Manchester, the silk warehouses have lately been completely cleared of their stock ; at Halifax there is a great demand for woollen cloths ; at Leeds all hands are employed ; and at Bradford, the accounts are equally of a cheering nature."

the object of all our financial arrangements should be to remove every impediment in the way of the most rapid accumulation of capital and national wealth. No common considerations or apprehensions about the difficulty of making changes in our old system ought, therefore, to be allowed to prevent such a reform in our taxes, and such alterations in commercial regulations, as will relieve industry from all obstructions, and entirely do away those remains of monopoly, which are still deeply engrafted in our commercial policy.

The nature of the reform in the taxes which seems to be required, will be explained in the following pages. The principle that will be held in view in suggesting each alteration, will be that of levying the revenue which is wanted for the public service, in such a manner as to occasion the smallest possible loss of money and enjoyments to the contributors, and the least possible impediment to the progress of national industry and national wealth; at the same time, that full consideration will

be given to the great importance of making every change in so gradual a manner, that nothing may happen which might give a shock to trade, or reduce the revenue below what is requisite for all the public services.

CHAPTER II.

TAXES ON RAW MATERIALS.

It appears, from an account laid before the House of Commons in the last session* (a copy of which is inserted in the Appendix,) that the taxes on the materials of manufactures, buildings, ship-building, &c., produced in 1827 a net revenue of 6,191,956*l*.

Although there is no proposition in finance the truth of which is more readily admitted, than that which affirms the impolicy of taxing the materials of industry, there is, at the same time, so little appearance of a proper effort being made to modify or repeal this class of taxes, that nothing appears to be more wanting than a full ex-

* Par. Pap. Sess. 1829, No. 172. See Appendix, No. I.

planation of their injurious operation on the employment of capital and labour, the accumulation of capital, and the increase of national wealth.

As the power of the manufacturing capital of a country to purchase raw materials is in proportion to their cheapness, and as the extent of manufactures is in proportion to the quantity of materials that are purchased, every particle of duty laid on them lessens the amount of industry and of annual productions. It consequently lessens the means of adding to the national capital, because these means consist of the surplus of the annual productions of the country. When, therefore, no less a sum is raised, every year, than 6,000,000*l.* on materials, it is manifest how great an injury this kind of taxation must do, by limiting manufacturing and every other kind of industry.

These taxes have also a very injurious effect in limiting navigation and foreign commerce; for if there were no such taxes, the increased quantity of foreign materials that would be imported, and of finished

goods that would be exported to pay for these materials, would add considerably to both navigation and foreign commerce.

The levying of so large a sum on articles that require capital and labour to give them utility and value, must strike every one as being a most serious obstacle in the way of remedying the evil, which presses at this moment the heaviest on the country, namely, the want of employment of the poor. The modifying, or wholly repealing, therefore, of these taxes, is a measure particularly called for, under the present state of our manufactures, and of the labouring class; provided it can be shewn, as it may be, that it can be carried into effect, without any difficulty, in making good the revenue which is now derived from these taxes.

With respect to the foreign market for our manufactures, the taxes on materials produce an evil of the greatest magnitude; for, by increasing the cost of production, they contribute to lessen the means our manufactures have of carrying on a success-

ful competition with foreign manufacturers. Whatever may be the difference between one country and another, with respect to soil, climate, capital, wages, and machinery, the circumstance which leads to the exportation of manufactures, and makes it profitable, is the advantage in the smallness of the cost of producing them; every tax, therefore, on materials, by increasing the cost of production, lessens the means of carrying on competition with foreigners, and acts as a bounty on foreign manufactures, and is therefore a tax of the most pernicious description.

If all materials were free of duty, the consequence would be, that our woollens, cottons, silks, hardware, and other manufactures, might be sent to foreign markets two or three per cent. cheaper than at present; and to those persons who have a due sense of mercantile profit, and of how little a turn one way or the other secures or loses a market, this will appear to be of the greatest importance. What, in point of fact, under the present circumstances of our manufactures, we have most cause to be alarmed at, is not

the depression of the home market, but foreign competition, in consequence of the progress now making on the continent of Europe and in America in the improving and extending of all kinds of manufactures. We shall do well, therefore, to look into the effects of taxation; for if we continue to load our manufacturers as they are now loaded, we may be assured that taxes will bring upon us the same result that they brought on Holland; what these were is thus described in M. Luzac's work on the Wealth of Holland:—
“Dautres examineront peut-être si ces taxes ont été judicieusement placées; si elles sont perçues avec l'economie convenable. Il suffit ici d'observer que les manufactures de laine, de soie, d'or, et d'argent, une foule d'autres ont succombé après avoir lutté longtemps contre la progression de l'impôt. La Hollande n'a sauvé du naufrage de ses manufactures, que celles qui n'ont pas été exposées à la concurrence des autres nations*.”

In order to leave nothing unsaid that can

* La Richesse de la Hollande, vol. ii. p. 73.

be urged to produce a full conviction of the absolute necessity of revising the taxes on materials, some short remarks will now be made to draw attention to those particular taxes which are the most inconsistent with sound principles, and the most injurious in their operation.

The duty on hemp raises the prices of those kinds of linens which are in most universal demand; also the prices of sails and cordage. In this latter case it is quite inconsistent with those numerous legislative regulations which have been enacted for protecting and encouraging the shipping interest.

As the legislature, acting most wisely, has introduced a freer system of navigation, it is bound in common justice to the shipping interest to remove all duties on the materials of ship-building. The permission which has recently been given to British ships to buy foreign cordage, and bring it home free of duty, is an additional reason for taking off the duty on hemp.

The duty on ashes and barilla adds to the

prices of the materials of several manufactures ; and even in the cases where a drawback is allowed, the obtaining it is attended with expense and loss of time ; while, as is the case with all drawbacks, there is a waste of money, first, in the business of collecting the duty, then in that of repaying it, and often by frauds being practised in getting a drawback of greater amount than that of the duty which has been paid.

The duty on thrown silk not only raises the price of the silk imported, but as long as any is imported, of all silks thrown at home ; because the price of the latter will always be as high as the price of the former, in consequence of its being impossible that two prices for the same article can exist in the same market. If thrown silk were made free of duty, the price would be reduced by the amount of the duty ; for our own throwsters, in order to secure a sale for their silk, would be obliged to introduce such improvements as would enable them to go into competition with free foreign thrown silks. If they could not make such improvements, and lower

their prices, then the silk manufacturers would be supplied by foreign silk ; but the progress which has of late been made in silk machinery makes it evident that this is an event by no means likely to happen if the duty on thrown silk were repealed.

The duty on timber affects and injures industry in a great variety of ways, in consequence of its being so much used in buildings, ships, machinery, &c. Countries possessing forests in the vicinity of navigable rivers, enjoy great advantages in that respect over our ship-builders ; and to lay a duty upon timber is still further to increase those advantages. Instead of doing this it would appear as if it were an indispensable preliminary to securing a permanently successful competition with foreign ship builders, to admit timber to be imported free of all duty.

The present arrangement of the duties, namely, of 10s. a load on North American timber, and of 2*l.* 15s. a load on European timber, forces, as it were, the use of the former kind, though of inferior quality. If,

in place of these duties, a duty of 1*l.* 15*s.* a load were imposed on all timber, the prices would be reduced 1*l.* a load, and the revenue would be very considerably increased.

The duty on bricks and tiles falls heavily on industry, in consequence of the number and size of the buildings required for mills, factories, store-houses, &c. It must obviously contribute to diminish the employment of capital and labour.

The duty on hides and skins not only injures a very important manufacture, but raises the price of one of the necessities of life. As leather is an article of universal demand, the repealing of the duty would have the effect of a considerable increase in the employment of capital and labour.

The duty on coals and culm carried coast-ways needs only to be mentioned to obtain a general assent to the impolicy of continuing it. It would be an endless task to trace out all the ways in which this duty does injury: it will be sufficient to allude to the business of working coal-mines, making

machinery, building ships, bleaching, dyeing, and to the use of steam in so many processes of trade and manufactures.

The exportation of coals is confined to between three and four hundred thousand tons a year, by the high duty of seventeen shillings a chaldron. If this were reduced, the exportation would be immensely increased, with great advantage to the revenue, and also to the owners of collieries and of ships, and to the labouring class.

The duties on tallow and soap are exceedingly injurious to manufactures, and have the same effects that all the other duties on materials have ; namely, that of deranging the natural course in which capital and labour would be employed, productions extended, and the wealth, comforts, and enjoyments of the community increased.

It is impossible to repeat too often how much good the revising of the taxes on materials would do. The evil of continuing them is so universally pernicious, that the commonplace excuse for it should have no weight ; namely, that the circumstances of

the country will not admit of a reduction of the revenue ; at least, until those circumstances have been more fully investigated. No inquiry has as yet been made to ascertain whether means may not be found for providing for the public expenditure without the aid of this class of taxes, and therefore no plea of difficulty, with respect to the revenue, should be listened to, until it can be shewn, first, that the present scale of public expenditure will not admit of any reduction ; and secondly, that no other taxes can be laid on of a less injurious kind than the existing taxes on materials.

CHAPTER III.

TAXES ON MANUFACTURES.

CONTRARY to every sound principle of trade, the manufactures of paper, glass, and printed calicoes have been selected as subjects of taxation.

The following account shews the rates of duty which have been imposed, and the revenue obtained from them:—

AN ACCOUNT of the Net Produce of the Excise Duties in the United Kingdom, as stated in the Finance Accounts for the Year 1827, on Glass, Paper, and Printed Calicoes, and shewing the several Rates of Duty.

ARTICLES. NET PRODUCE.				RATES OF DUTY.				
				£	s.	d.		
Glass	-	613,508	3 9½	Materials for flint glass	-	0	0 3	} per lb. per cwt.
				Ditto - plate	-	3	0 0	
				Crown glass	-	3	13 6	
				Broad ditto	-	1	10 0	
				Green ditto	-	0	8 2	
Paper	-	649,779	8 11	First class paper	-	0	0 3	} per lb. per cwt.
				Second ditto	-	0	0 1½	
				Glazed paper, millb. and scaleb.	1	1	0	
				Pasteboard, 1st class	-	1	8 0	
				Ditto, - 2d. ditto	-	0	14 0	
Printed goods.	}	662,141	16 1½	Foreign calicoes	-	0	0 7	} per yard.
				British calicoes and muslins	-	0	0 3½	
				Stained paper	-	0	0 1½	
<hr/>								
£ 1,925,429				8	9½			

J. EW BANK, General Accountant.

Excise-Office, London, 17th Feb., 1829.

As the extent of the market for these manufactures, and consequently the extent of the employment of capital and labour in producing them, depends on their cheapness, these duties, by increasing prices, have a direct effect in limiting the market for them, and diminishing the employment of capital and labour. In addition to this, the necessarily severe and vexatious regulations under which these duties are collected, have most injurious consequences.

By prescribing the processes of fabrication, the manufacturer is not allowed to manage his trade in the way his skill and experience point out as the best ; but he is compelled to conform to such methods of pursuing his art as he finds taught in Acts of Parliament. Thus the unseen injury arising from excise taxation, by its interference with the free course of manufacture, is much greater than is suspected by the public. The consequence of the activity and invention of the manufacturers being repressed is, that the consumers of their goods pay increased prices, not only

for the duties imposed on them, but for the additional expense incurred by absurd and vexatious regulations; and, in addition to this, goods are generally very inferior in quality to what they would be if no duties existed.

The policy of the legislature in laying on the duties now under consideration, is in direct variance with that by which all other manufactures have been protected by high duties on foreign goods, and forms a striking instance of the inconsistency and absurdity for which a great part of our present commercial code is distinguished.

The duty on paper has an injurious effect on many other trades besides that of the paper-maker. The limited consumption which it occasions injures the makers of machinery, type-founders, ink-makers, printers, engravers, booksellers, bookbinders, stationers, paper-stainers, and several other trades. But the greatest evil of all is the high price of books which it gives rise to. By this a great obstacle is thrown in the way of the progress of knowledge, of use-

ful and necessary arts, and of sober and industrious habits. By the use of books the productions of the human mind are carried over the whole world, and they may be truly called the raw materials of every kind of science and art, and of all social improvement.

The duties on all kinds of glass manufactures are so high, that they necessarily have a most injurious effect in limiting the extent of the market for them, and thereby diminishing the employment of capital and labour. The materials of glass are so abundant and cheap, and also the materials which are requisite for working up the glass materials, that the taking off the duties would lead to an unlimited extension of this manufacture; for the use of a great number of articles, which is now confined to the richer classes, would become universal among the lower orders; and no doubt there would be a great exportation of this manufacture to foreign countries. As in the case of the paper manufacture, a great many other trades are injured by the duties on glass besides the glass manufacturers.

The following statement shews how much the high duties have kept down the consumption of glass.

The quantities which paid duty for home consumption were—

Flint and Plate Glass.

Four years to 1793	- Duty, 21s. 5d. per cwt.	190,000 cwt.	
„ to 1825*	- „ 90s. „		} 167,000 „
on Flint, and 60s. per cwt. as Plate	-		

Broad Glass.

Four years to 1793	- Duty, 8s. per cwt.	- - 90,000 cwt.
„ to 1825	- „ 30s. „	- - 34,000 „

Glass Bottles.

Four years to 1793	- Duty, 4s. per cwt.	- - 881,000 cwt.
„ to 1825	- „ 8s. „	- - 697,000 „

Crown Glass.

Four years to 1793	- Duty, 16s. 1d. per cwt.	314,000 cwt.
„ to 1825	- Duty, 73s. „	450,000 „ †

In 1828, 379,365*l.* of the gross duty received on glass (*viz.* 953,257*l.*) was re-

* This year is taken, because in 1825 the duty on flint glass was reduced to 56*s.* Since 1825, there has been a considerable increase of flint glass; but that of other kinds is not much altered.

† This statement has been made up from an account of the Excise Office, prepared for Parliament. See Appendix, No. II.

paid in drawbacks on exportation, being more than one-third of the whole duty. This is in itself a strong reason for repealing the duty; for no system of taxation can be more unwise than that of incurring the expense, and producing the vexation attending the collecting of so much money, with the result to incur the additional expense of paying it back again, and to open a door to fraudulent claims of repayment.

The perfect machinery used in the cotton manufacture admits of cotton goods being sold so cheap, that the duty on printed calicoes is not attended with any serious injury in limiting the market for them. The main objection to this duty arises from so large a part of the revenue that is produced by it, being repaid for drawbacks. In 1828, the gross revenue received was 2,019,737*l.*, of which there was repaid 1,420,068*l.*, leaving only 599,669*l.* of net revenue*.

The duty of twenty shillings a quarter on

* Parliamentary Papers, session 1829, No. 322.

malt, is not one that can be justly objected to as being too high; but the mode of charging it is conducted under such severe and vexatious regulations, as to render it extremely injurious to the agricultural interest, and the manufacturers of malt. "These regulations at one and the same time have the effect of unnecessarily fettering the operations of the maltster—of deteriorating the quality and adding to the price of his malt—and of putting him wholly in the power of the pettiest officer of excise*." In consequence of this system of collecting the duty, the consumption of malt has been stationary the last forty years. If the regulations were simplified, and the restrictions, which are occasioned by the present plan of licensing public houses, removed, there are the best reasons for concluding, that the sale of malt would be so much increased,

* See Article IV. of the last number of the *Edinburgh Review* (vol. xlix. p. 373), for a very full and able exposition of the evils which arise from the present malt laws and licensing system.

that a very large additional revenue would be the result.

The manufacture of machinery is greatly injured by the prohibition to export it; at the same time that the means of raising a considerable revenue, by a moderate duty upon it when exported, are thrown away. The superiority that England possesses over all other countries with respect to the materials of machinery, and skill in making it, is so great, that there can be no doubt that a very large quantity would be exported if the prohibition were taken off. Such a trade would give rise to increased employment of capital and labour in working collieries and iron-mines, as well as in the making of machinery.

CHAPTER IV.

TAXES ON LUXURIES.

IN 1827, the net revenue received from the Customs' duties amounted to 17,894,409*l.*, and from the Excise duties 18,438,707*l.**, making together the sum of 36,333,116*l.* If from that sum be deducted the amount of the revenue received from the duties on the materials, 6,000,000*l.*, and on the manufactures, 2,000,000*l.*, which have been under examination, and also 800,000*l.* received in 1827 from the duties on corn, making together 8,800,000*l.*, there will remain a revenue exceeding 27,000,000*l.*, nearly all levied on articles of luxury. As these articles are not used by the labouring class but to a limited amount, this revenue is paid by the wealthier classes, and the duties have little influence on wages and profits,

* Fourth Report, Committee of Finance, Appendix, p. 113.

and consequently on national industry ; and were it not that some of the Custom duties have been raised too high, there would be no necessity for making any further remarks on this part of our taxation.

As the effect of these high duties is in some cases to diminish the revenue, and in all to create smuggling ; and further, by greatly diminishing the importation of the articles on which they fall, to diminish the demand for, and the exportation of our own manufactures, they are exceedingly injurious, and ought to be reduced.

There is an absolute limit to every duty, beyond which, an increase of it necessarily occasions a loss of revenue. In no instance is an increase of duty followed by an equal increase of revenue ; but, on the contrary, the progress of the increase of revenue will be less and less, according as the duty advances, until there is no increase of revenue, but a falling off. Yet, whenever it is proposed to lower any of the excessively high duties, it is immediately said, “ The circumstances of the country are such, that

the revenue cannot admit of any reduction." But this sort of reasoning assumes that a loss of revenue is sure to happen, when, in point of fact, there is no foundation for any such conclusion; for there is nothing more easy of demonstration, by reference to experience, than that a diminution of taxation is not necessarily followed by a diminution of revenue; or an increase of taxation, by an increase of revenue. "In the case of the commodities which, from the great expense of their production, are necessarily high priced, the consumption of them must be always comparatively limited, and therefore might not be greatly extended by any reduction of the duties with which they are charged; but the reduction of the duties laid on commodities of extensive demand, and whose natural cost is not very considerable, must always be followed by a great increase of consumption; for such a reduction not only enables those who were previously consumers of them to consume a greater quantity, but it brings them within the reach of new and numerous classes of consumers.

In this way, it is easy to perceive that such a reduction of the duty or price of any commodity previously used by the higher classes only, as would permit it to be used by those of inferior station, would extend the consumption to a vast amount*.”

The truth of these observations is strongly exemplified by what has taken place with respect to the consumption of cotton goods ; it being now at least double what it was a few years ago, in consequence of the low price of those goods, brought about by the reduction in the price of the raw material, and by the aid of machinery.

The following instances of duties being increased completely confirm all that has ever been said concerning the impolicy of excessive taxation.

The number of gallons of brandy and geneva imported for home consumption in four years to 1807, was 8,800,000, making an annual average of 2,200,000.† The duty

* Edinburgh Review, vol. xxvi. p. 518.

† These calculations are founded on a Parliamentary paper of the session of 1829, No. 340. See Appendix II.

was then 14*s.* a gallon (wine measure). This rate of duty on the foregoing quantity makes a revenue of 1,540,000*l.* In 1812, the duty was raised to 20*s.* 7*d.* ; in 1813, to 20*s.* 11*d.* ; and in 1814, it was fixed at 18*s.* 10*d.* a gallon ; and it has continued at that rate to the present time.

The annual average number of gallons of brandy and geneva imported for home consumption in twelve years to 1829, has been 1,500,000 ; which quantity, at 18*s.* 10*d.* a gallon, makes a revenue of 1,412,000*l.* So that the revenue is less, from a duty of 18*s.* 10*d.*, by 128,000*l.* a year, than it was from a duty of 14*s.* a gallon.

In the case of tea, the raising of the duty from 12 per cent., by successive augmentations, to 96 per cent. in 1806, and afterwards to 100 per cent., has certainly been followed by an increase of revenue. But, though this cannot be disputed, there are the strongest possible reasons for believing that the revenue would have been considerably greater, had the duty not been carried so high. The quantity of tea sold by the East India

Company in 1799, was 24,853,000 lbs.; and the quantity sold in 1827 was 26,043,223 *; but as the population of the United Kingdom may be taken as having increased from 16,000,000 in 1820, to 25,000,000 in 1829, had there been no diminution of the individual consumption of the Company's tea in the interval between these enumerations, their sales ought plainly to have been increased in the proportion of 16 to 25; that is, of 25 to 39, instead of in that of 25 millions pounds to 26 millions pounds.

But the fact is notorious, that no great diminution of individual consumption of tea has taken place, even after making a large allowance for the effect of the increased consumption of coffee in diminishing the consumption of tea; and therefore we may conclude, that a very large quantity of tea now actually consumed is supplied by adulteration. In proof of this, the numerous convictions of persons having adulterated tea in their possession may be referred to.

* Fourth Report, Committee of Finance, p. 54.

The effect of levying so high a duty as 3*s.* a lb. on tobacco in Ireland, is quite conclusive in shewing the impolicy of excessive taxation. In four years to 1798, when the duty was 8*d.* a lb., the quantity of tobacco entered for home consumption in Ireland was 32,000,000 lbs., making an annual average of 8,000,000 lbs. But, in four years, to 1829, the quantity imported for home consumption in Ireland has been only 16,000,000 lbs., making an annual average of 4,000,000 lbs., that is, half what it was thirty years ago, when the population was half as numerous as it now is. Had the individual consumption of tobacco that paid duty increased according to the increase of the population of Ireland, the annual consumption should now be 16,000,000 lbs. instead of 4,000,000 lbs. As there can be no doubt that the individual consumption has increased in this ratio, the conclusion to be come to is, that full three-fourths of the tobacco now consumed in Ireland is supplied by smuggling. The quantity of tobacco entered for home consump-

tion in Great Britain has not increased in the last twenty years.

The injurious effects of raising the duties on wine is very manifest in the instance of Ireland. In four years to 1796, the quantity of wines, of all sorts, imported for home consumption was 6,700,000 gallons, making an annual average of 1,675,000 gallons. The duty was 2*s.* 7*d.* a gallon on French wines, and 1*s.* 7*d.* a gallon on other wines. The revenue received on an average of the same years was 150,000*l.* In the four years to 1829, the quantity imported for home consumption was 3,300,000 gallons, making an annual average of 825,000 gallons ; and the revenue received, from 6*s.* a gallon on French wines, and 4*s.* a gallon on other wines, was, on the same average, 130,000*l.*, being less by 20,000*l.* than the revenue received from the former low duties.

In 1813, the duties on flint and plate glass were doubled ; they were raised from 49*s.* to 98*s.* a cwt. In four years to 1813, the average annual quantity for home consump-

tion was 66,500 cwt. In the four years following 1813, the annual average quantity was 30,000 cwt.* The duties on all other kinds of glass were doubled in the same year. The revenue received in the four years preceding 1813 was, on an average, 340,000*l.*; that received in the three years following 1813 was, on an average, 395,000*l.*, so that the doubling of the duties, instead of producing 340,000*l.*, produced only 55,000*l.*

Subsequent to the year 1808, the duties were raised on bitter almonds 7*s.* 9*d.* per cwt.; on Jordan, 16*s.* 3*d.* a cwt.; and on other sorts, 4*s.* 10*d.* a cwt. The whole effect on the revenue was an increase from 16,319*l.* in 1808, to 17,991*l.* in 1827.

At the same time the duties on currants were raised 7*s.* 6*d.* a cwt., with the effect of raising the revenue from 230,259*l.* in 1808, to 265,365*l.* in 1827. And the duties on the different kinds of raisins were raised, on some kinds, 2*s.* 3*d.*, and on other kinds 4*s.* 2*d.* a cwt., with the effect of raising

* See Appendix. No. II.

the revenue from 159,000*l.* in 1808, to 160,000*l.* in 1827.

The foregoing statement having shewn the effects of increasing duties, the following will explain what the effects have been of reductions of duty :—

In 1745, the duty on tea was reduced from 4*s.* a lb. to 1*s.* and 25 per cent.: but the revenue derived from it increased from 444,659*l.*, the annual average amount for three years to 1745, to 804,791*l.*, the annual average amount for three years to 1749*. The duty on tea was afterwards raised so as to be 119 per cent. in 1784, in that year it was reduced to 12 per cent. The consequence was, that the sales of tea at the India-house, which in three years to 1784 were 17,164,966 lbs., rose, in three years to 1788, to 48,163,811 lbs.; and instead of the duties falling off in the proportion of 119 to 12, that is, from 700,000*l.*, which they yielded in 1783, to 73,000*l.* they only

* Dr. Hamilton's *Principles of Taxation*, Appendix, No. XIX., and Sup. En. Br. vol. vi. p. 638.

fell off in the proportion of 3 to 1, or from 700,000*l.* to 240,000*l.* *

The duty on plantation coffee, previous to 1808, was 2*s.* per lb., and the annual average produce of it in three years to 1808, was 144,725*l.* This duty was afterwards reduced to 6*d.* per lb., and the annual average produce of it in three years to 1829 has been 378,350*l.* † The consumption has increased from 4,069,091 lbs. in 1808, to 16,522,423 lbs. in 1828 ‡.

The duty on spirits made in Ireland was reduced in 1823 from 5*s.* 6*d.* a gallon, to 2*s.* (wine measure). The number of gallons of spirits (imperial measure), that paid duty in 1822 was 2,328,387, and the revenue received was 797,518*l.* The number of gallons that paid duty in 1828 was 9,937,903, and the revenue was 1,395,721*l.* §

A similar reduction of duty took place at the same time, on spirits made in Scotland. The number of gallons have increased from 2,079,556 in 1822, to 5,716,180 in 1828;

* Macpherson's Commerce of India, p. 210.

† See Appendix, No. II.

‡ lb.

§ lb.

and the revenue has increased from 691,136*l.* to 809,559*l.* *

The duty on French wines was reduced in 1825, from 11*s.* 5*d.* a gallon to 6*s.* (wine measure). There were imported in four years to 1825, on an annual average, 183,000 gallons, that yielded an average revenue of 106,000*l.* In three years to 1829, the quantity imported has been, on an average, 382,000 gallons, that yielded an average revenue of 115,000*l.* So that the reduced duty of 6*s.* has produced at the rate of 9000*l.* a year more than the former duty of 11*s.* 5*d.* a gallon†.

The duty on flint and plate glass was reduced in 1825 to 56*s.* per cwt. The quantity charged with duty for home consumption, on an average of four years to 1825, was 41,000 cwt. The quantity on an average of three years to 1829 has been 62,000 cwt. At present there is a small loss of revenue; but as the quantity is gradually increasing, and was in the last

* See Appendix, No. II.

† Ib.

year 68,000 cwt., there will, in the end, be no loss in consequence of the reduction*.

The Committee of Finance state, in their Fourth Report on the Revenue and Expenditure, that if the revenue had fallen off in the five years from 1825 to 1828, in the same proportion that taxes had been reduced, the diminution of it would have been 9,000,000*l.*; but that, owing to increased consumption, it had only fallen off about one-third of that sum.

These different facts place it beyond all doubt, that when a tax has been carried to an excessively high point, the reducing of it is not necessarily followed by a reduction of revenue, but may lead to an increase.

The duties which have just been mentioned, occasion the greater part of the smuggling that is now successfully carried on to a great extent, notwithstanding the enormous expense incurred in attempting to suppress it. It appears from the examination of Mr. Deane, the Chairman of the

* See Appendix, No. II.

Board of Customs, before the Committee of Finance, that this expense cannot be computed at less than 700,000*l.* per annum*. Great, however, as this sum is, the profit that can be gained in consequence of the excess of the duties in proportion to the value of the articles on which they are levied, is so high, that it makes smuggling a very flourishing trade. It has already been shown, that three-fourths of the tobacco consumed in Ireland is supplied by smugglers; and the statement of Sir Hussey Vivian in the House of Commons in the last session, pointing out the severe duty per-

* See Evidence of Mr. Deane, p. 18.—

Paid by the Customs in 1827	-	-	£466,970
„ Excise „	-	-	2,223
„ Navy Department in 1827	-		167,518
„ Ordnance „	„	-	46,768
			<hr/> £683,470
Add for other Payments	-		16,521
			<hr/> £700,000

181,000*l.* has been expended in building cottages for the coast guard.—*See Papers, Committee of Finance, No. cxlii.*

formed by cavalry regiments on the coast, together with the frequent mention made in the newspapers of smuggling transactions, shews how extensively this traffic is going on in England. Mr. Deane was asked the following question, before the Committee of Finance. “Did you ever hear that in the ports of Flushing and Ostend, and in those ports where smuggling is carried on, it is capable of an insurance like any other risks?” He replied, “I have no doubt of it. I have heard of 10 per cent. to 15 per cent.”

As it is the high amount of particular duties that alone makes smuggling a profitable trade, and as all experience proves that every attempt to suppress it will fail, so long as profit can be made by it, it is clear that nothing will put it down but reducing the duties. It has been well observed, that “to create, by means of high duties, an overwhelming temptation to indulge in crime, and then to punish men for indulging in it, is a proceeding wholly and completely subversive of every principle of justice. It revolts the natural feelings of the people, and teaches them to feel an interest in the worst cha-

racters, to espouse their cause, and to avenge their wrongs. A punishment which is not apportioned to the offence, and which does not carry the sanction of society along with it, can never be productive of any good effect: the true way to put down smuggling is to render it unprofitable by reducing the duties on the smuggled commodities *."

The great disproportion of the duty on tobacco to the natural price of it, the circumstance of its being almost a necessary to the lowest classes of society, and the facilities the high duty holds out to illicit trading, concur in rendering it one of the most objectionable duties. As the price of tobacco, exclusive of duty, cannot be taken at more than 4*d.* a lb. the tax of 3*s.* a lb. is at the rate of 900 per cent. ; and therefore, in order to withdraw this article from the hands of the smuggler, a very large reduction ought to be made. Unless reduction is carried sufficiently far on this and other articles, smuggling and the expense of attempting to suppress it will continue, and thus the prin-

* See *Edinburgh Review*, vol. xxvi. p. 536.

cial object in sacrificing revenue will not be attained.

A reduction of 2*s.* a lb. on tobacco might perhaps put a stop to the smuggling of it. But if such a reduction should be made, the loss of revenue cannot well be estimated at less than 1,500,000*l.*

With respect to smuggling, the duties on brandy and geneva are as objectionable as that on tobacco. As the price of them, exclusive of duty, does not exceed 4*s.* a gallon, the duty of 22*s.* 6*d.* (I. M.) a gallon is 550 per cent.

As the difference between the duty of 7*s.* a gallon on English spirits, and 2*s.* 10*d.* a gallon (I. M.) on Scotch and Irish spirits, leads to the smuggling of the latter into England, the true way of adjusting the duties on spirits would be, to raise the duties on Scotch and Irish spirits, as high as they could be raised without producing illicit distillation, and to fix the same duty on all other kinds of spirits.

It is not easy to estimate with any accuracy what the loss of revenue would be from such an arrangement of the duties ; but tak-

ing into consideration the increased revenue which would be obtained on Irish and Scotch spirits, and the increased consumption of foreign spirits, in consequence of the reduction of the duty, it would not probably exceed 1,500,000*l*.

The common objection, that the diminishing of the price of spirits will encourage the vice of drunkenness, will not in this case be entitled to much consideration. In the first place, the plan goes to raise the price of spirits in Ireland and Scotland ; and in the next, it may be replied to those persons who may urge it, that in France, Holland, and the United States, where spirits are much cheaper than they will be in this country with the reduced duty, drunkenness is comparatively unknown, and that the encouragement which is given to smuggling by high duties, is far more injurious to the morals of the people, than the effect of low duties would be in rendering the means of intoxication cheaper.

Experience shews how futile it is to attempt to enforce morality by sumptuary laws: the only effectual mode is by promoting the diffusion of knowledge, and

introducing better habits among the lower classes.

With respect to the sacrifice of revenue which would be made by reducing the duties on tobacco and spirits (3,000,000*l.*) in the manner now proposed, when it is taken into consideration that this amount of revenue is obtained by promoting smuggling to the extent which it is now carried on (for it is almost wholly confined to these articles), and by incurring an annual expense of 700,000*l.* in attempting to suppress it, it is clear that it is impossible that such an amount of revenue could be raised by more objectionable means. But the lowering of these duties would be attended with another very important result besides that of putting down smuggling, namely, the increase of the consumption and importation of tobacco and spirits, in consequence of the effect of the reduction of the duties in reducing the prices of them.

In the case of tobacco, with a reduced duty, more capital would be employed in buying the additional quantities of tobacco which would be consumed, and more ships and seamen in importing it: in the next

place, more raw materials would have to be imported to make the goods which would be required for exportation to pay for the additional quantity of tobacco ; more capital would be employed in buying these materials, more workmen in manufacturing them, and more ships and seamen in exporting the goods made with them. The reduction of the duty on spirits, and of every other excessive duty, would be followed by similar beneficial results to national industry and wealth. So that excessive taxation is not only impolitic, from its effect on the revenue, but in consequence of its diminishing the productions of industry and foreign commerce.

The statement which has been made to shew the effect of the late reduction of the duty on French wines, proves that it was a very successful experiment ; and an additional advantage would be gained, both with respect to the revenue and the interests of the consumer, if it were still further reduced. But, considerable as this benefit might be, it is nothing when compared with the advantage of a less restricted trade with France,

towards which a further reduction of duty might lead. “ There are no two countries better suited for an advantageous commercial intercourse, as well by local situation as by the nature of their productions, than Great Britain and France. They may be considered as the two most civilized nations of the world ; they are within a few hours’ sail of each other ; and at the same time the one is distinguished by peculiar advantages, both natural and acquired, for the maintenance of manufactures, whilst the other abounds in all those natural productions for which the extent of its territory, the fertility of its soil, and the excellence of its climate, eminently qualify it *.” As England is no longer bound by the Methuen treaty, the duty on French wines should be lowered below that on stronger wines, so as to allow them to be purchased at more moderate prices. If the duty was reduced to 2*s.* 6*d.* a gallon, there can be little doubt that the consumption would be treble what it now is. Forty years ago as much claret was consumed in Ireland (500,000 gallons), when

* Parliamentary Review, 1825, p. 672.

the duty was 2*s.* 7*d.* a gallon, as is now consumed in the United Kingdom ; so that it is by no means taking at too high an estimate the future consumption at 1,500,000 gallons : this would yield a revenue, at 2*s.* 6*d.* a gallon, of 187,000*l.*, which would be greater than the present revenue derived from French wines, by 35,000*l.*

Although there appears to be some very strong reasons in favour of reducing the duty on tea, as it is an article that is not smuggled, it perhaps will be advisable not to make any change until the monopoly of the East India Company is got rid of ; for, however low the duty may be reduced, it does not follow that the price will fall, because the Company have the power of keeping it up by limiting the quantity imported. As the effect of the monopoly is to make the price of tea nearly double the price at the sales of the India House to what it is at Hamburgh or New York, it is not impossible but that tea would bear a duty of 100*l.* per cent., as coffee does now, if the trade in it were free ; the effect of the monopoly, in point of fact is, to make the

duty 200*l.* per cent. on the true value of tea.

As the price of sugar is raised beyond what it ought to be,—first, by the protecting duties on East Indian and foreign sugars ; secondly, by the bounty on sugar exported ; and, thirdly, by prohibiting the refining of it in the colonies,—the true course to take in order to extend the consumption, and to increase the revenue, is to remove these restrictions upon the free use of it. Such a step would, perhaps, have the effect so far of lowering the price, as to admit of the duty of 27*s.* a cwt., which would be about 100*l.* per cent., being continued without any very material restraint on the consumption of sugar. At all events, the reduction of the duties on tea and sugar ought rather to follow than accompany the repeal of the taxes on materials and manufactures, and the reduction of the duties on tobacco and spirits.

In making an estimate of the revenue which would be lost by reducing duties, nothing should be set down for repayment of duty on stocks on hand, on the ground

that the holder of such stocks has a just claim for repayment; for experience establishes the fact that, in almost all cases of past reductions of duties, prices have kept up, and given rise to a good deal of clamour and much undeserved condemnation of dealers in the articles which have been relieved of duty*.

The practice of repaying duties, if it were regularly adopted, would lead dealers, on finding that a duty was to be reduced, to amass large stocks, for the sake of the profit they would make by prices keeping up, as they always do, in a greater or less degree, for a considerable time after the repeal of the duties actually occurs.

If the intention of reducing or repealing a duty on any article was given notice of for some time previous to its being carried into effect, the dealers in it would take care

* See Speeches in the House of Commons on the last reduction of the Wine Duties. In 1824, 460,886*l.* was repaid for duties on the stock of silk goods on hand (An. Fin. Acc. 1825, p. 45); and in 1825, 1,021,044*l.* was repaid for the duty on the stock of wine on hand.—See Appendix, No. II.

to diminish their stocks of it; and as, in case of the duty not being repaid, they would all be losers by a sudden reduction of price, they would not enter into competition to undersell each other, but they would rather combine together to do all in their power to keep up the price until new stock could be brought forward.

CHAPTER V.

TAXES FOR GIVING PROTECTION TO AGRICULTURE.

It will be seen by the following list of articles of foreign production, and the duties to which they are subject, that no opportunity has been lost of endeavouring to promote the interests of the landowners, by excluding foreign competition.

	£.	s.	d.
Bacon, per cwt. - - -	1	8	0
Beer, per 32 gallons - -	2	13	0
Butter, per cwt. - - -	1	0	0
Bristles, not sorted, per lb. -	0	0	3
——, sorted, ditto - -	0	0	4
Cider, per ton - - -	21	10	0
Cheese, per cwt. - - -	0	10	6
Cucumbers, ad val. - - -	20	0	0
Hay, per load - - -	1	4	0
Hair, cows and oxen, per cwt. -	0	2	6
Hair-powder, per cwt. -	9	15	0
Hops, per cwt. - - -	8	11	0
Hemp seed, per quarter -	2	0	0
Hemp undressed, per cwt. -	0	4	6
Lard, per cwt. - - -	0	8	0

	£.	s.	d.
Madder, per cwt. - -	0	6	0
Madder roots, per cwt. -	0	1	6
Mules and asses, each -	0	10	6
Horses, each - - - -	1	0	0
Oil, rape and linseed, per ton	39	18	0
Peas, per bushel - - -	0	7	6
Perry, per ton - - -	22	13	8
Potatoes, per cwt. - - -	0	2	0
Seeds, clover, hay, &c. &c. -	1	0	0
Spirits, foreign, per gallon (I.M.)	1	2	6
Rum, per gallon - - -	0	8	6
Tallow, per cwt. - - -	0	3	2
Tares, per quarter - - -	0	10	0
Timber, per load - - -	2	15	0

Wheat 1*l.* 5*s.* a quarter to 1*s.*, according as the price rises from 61*s.* to 70*s.* a quarter.

Barley, 13*s.* 10*d.* a quarter to 1*s.*, according as the price rises, from 32*s.* to 40*s.* a quarter.

Oats, 10*s.* 9*d.* a a quarter to 1*s.*, according as the price rises, from 24*s.* to 31*s.* a quarter.

On other grain, flour, and meal, the duties are according to these scales.

Beef, lamb, mutton, pork, sheep, and swine, are prohibited to be imported by 6 Geo. IV. c. 117.

Taxes on food consumed by landlords or capitalists are paid by the consumers ; but when consumed by the labourers, they have nearly the same effect as an equal amount of taxes laid directly on wages. There are

some cases, but these are very few, in which taxes affecting wages are really defrayed by the labourers ; but their common and ordinary effect is to cause, sooner or later, an equivalent rise in the rate of wages, and a proportional fall in profits*.

The duties and prohibitions for restricting the importation of the productions of foreign agriculture, not only have the effect of making the public pay a higher price for all articles of food, but by diminishing the value of the annual imports some millions, they diminish to the same amount the annual value of the exports of British manufactures, because it would only be by exporting them that the imported corn and other articles could be paid for. In this way, therefore, the protection that is given to agriculture greatly diminishes the demand for the employment of capital and labour, and the progress of accumulating national wealth.

But if protection must be given, were it of a more moderate kind, and provided by

* Mr. McCulloch's Edition of the *Wealth of Nations*, Note of Editor, vol. iv. p. 554.

a fixed duty of about 10*l.* or 12*l.* per cent., there would be, even with this large protection, a very considerable quantity of corn and other productions of land imported, and consequently a large revenue obtained from the duty, which would come in aid to the repealing of duties on raw materials and manufactures, and in this way make some amends for the injury it would still do to industry, in raising the price of food.

CHAPTER VI.

TAXES FOR GIVING PROTECTION TO BRITISH MANUFACTURES.

NOTWITHSTANDING all that has been said of our new system of free trade, with respect to manufactures, little or no change was really made by the alteration of the protecting duties and prohibitions in 1825. An account, that has been laid before the House of Commons, of foreign manufactures imported in 1824, the year before the alteration, and in each of the years 1826 and 1827, the two years which followed it, proves this fact beyond all question*.

* The following Table has been formed out of this account :—

	<i>Imported.</i>		
	1824.	1826.	1827.
Brass manufactures, value £.	740	862	750
Carriages - - - ditto £.	927	1,259	1,683
China and earthenware, do. £.	7,418	18,310	18,718
Copper			

With respect to the silk and glove manufactures, this account shews how unfounded the assertions are which are so loudly made, that these manufactures have been utterly ruined by the admission of foreign manufactures; for the whole amount imported since 1825 forms scarcely a few days' consumption, and a mere nothing in comparison with the quantity of these goods that are annually made in the United Kingdom.

The great increase of the quantity of raw

				<i>Imported.</i>		
				1824.	1826.	1827.
Copper manufactures, value	£.			173	451	818
Cotton	ditto	ditto	£.101,840		104,416	109,120
Gloves	-	-	pairs		477,107	865,176
Iron in bars	-	-	tons	12,091	12,820	14,293
Leather manufactures, value	£.			623	1,672	4,000
Linen	ditto	pieces	29,893		32,955	60,490
Musical instruments, value	£.			576	4,554	5,244
Silk manufactures.						
Plain lace	square	yards	67,526		60,006	122,238
Entered by weight,		lbs.			48,300	45,278
Ditto, at value	-	-	£. 15,218		26,128	54,179
Indian ditto	-	-	£.		304,421	5,365
Watches and clocks, value	£		10,224		15,259	15,599
Woollen manufactures, do.	£.		2,876		24,143	35,157

Parliamentary Papers, Sess. 1828. No. 322.

silk imported proves that the late depressed state of the silk trade was wholly owing to over-production. Whatever doubt may have been felt on this point is now completely removed by the present revival of the trade, notwithstanding that the importation of foreign silks is still going on.

As none but kid gloves are imported, the great increase which has taken place in the quantity of kid skins imported shews that the depression of the glove trade could not be owing to the quantity of foreign gloves imported ; but that it was owing also to over-production. So that, on the whole, it may be stated in the broadest manner that language can state it, that it is a false inference to draw from the distress in which these particular manufactures have been, that the changes of 1825 have been instrumental in producing it ; and further, that it is equally false to assert that these changes have established a free trade in the place of the old system of protection. If free trade, therefore, is the right policy, the work of introducing it still remains to be done.

In order to leave no possibility of doubt with respect to the truth of this conclusion, tables are given in the Appendix of the duties which are at this moment levied on foreign manufactures. By these it will be seen, 1st, what the protecting duties are for such of our manufactures that cannot be affected by the freest competition ; 2dly, what they are for such of our manufactures that it is commonly supposed would be injured by competition ; 3dly, what they are which fall on manufactures of trivial value ; 4thly, what they are which fall on those manufactures of materials that serve in the first process of manufacture as materials of other manufactures *.

The varieties of climate, situation, and soil, afford to every country some advantages in the employment of industry not possessed by others. By making use of such advantages a country will contribute its greatest power in the production of wealth. Hence it is that the capital of England is

* See Appendix, No. III.

much more productive of wealth if employed in coal, iron, tin, and other natural productions, and in those objects in which these articles contribute to diminish the cost of production, than it is if employed in making those things which a foreign country can make cheaper in consequence of the advantages that are peculiar to it. All protection, therefore, by diverting the industry of the country from those branches of production for which it is best qualified, is mischievous; and, when once imposed, creates a mass of artificial interests, whose existence, depending on the system from which they sprang, forms a great obstacle in the way of getting rid of it*.

The history of the protecting system shews it had its origin at a period when nothing was known by statesmen and legislators of sound principles of trade. It seems to have been introduced into European policy by M. Colbert. Before his time Holland supplied all Europe with manufactures, and re-

* Parliamentary Review, 1825, p. 631.

ceived in payment for them the raw produce of her poor neighbours. M. Colbert, overlooking the facts, that manufactures cannot be established in a country until it has acquired a considerable capital, and until the people of it have become rich enough to be able to buy them, sought to force the growth of manufactures in France, merely by issuing his famous tariff of 1667, by which the importation of all manufactures into France was prohibited. The failure of his theory is amply attested by experience. France ever since that period has been paying for the manufactures used by her (taking price and quality into consideration) from half to twice as much more as England and Holland have paid, and her establishments have continued of the most wretched description till within a few years. They are now, by high prices and limited consumption, greatly depressed below what they would have been in a country so fit for manufactures, if no protection of them had ever existed.

Immediately after the appearance of the tariff of 1667, the Dutch retaliated by pro-

hibiting the importation of the wines, brandies, and other productions of France *. This commercial warfare produced open hostilities in 1672, and a war that lasted six years; and it is to commercial prohibition and retaliation that most of the wars in Europe, since 1667, are to be attributed.

England followed the example of Holland in prohibiting French productions; and from that time has been amongst the foremost of states in loading her commercial legislation with all kinds of mischievous and erroneous regulations.

As this system of protection has been steadily acted upon by all nations since 1667, on a most mistaken notion, which has been generally held, that the protection of trade was a necessary part of the duty of the executive government; when it is considered, on the one hand, what the consequence would have been throughout the world of allowing trade and manufactures to take their natural course in supplying every country with every

* *Richesse de la Hollande*, vol. i. p. 345.

article of production of the best quality, and at the lowest possible price, and in advancing universal wealth and civilization; and on the other, what the consequences have been of the numerous wars which the system of protecting trade and manufactures has given rise to, we cannot avoid coming to the conclusion, that those statesmen who invented this system, and who have supported it, and do still support it, deserve to be classed among the greatest enemies of mankind.

As there are still many persons who imagine this system is right, the explaining of the various evils which it occasions cannot be too often repeated.

When protections are introduced, and foreign cheap goods are shut out, and the same kind of goods are made at home, but at a greater cost of production, then the capital and labour of the country that excludes foreign goods, cease to produce the greatest possible quantity of productions; the country is consequently poorer than it otherwise would be; for when a country consumes an article made at home, which could be got

cheaper from another country, it employs a certain number of men's labour, in providing that article, more than it would be necessary to employ if it imported that article. The country is therefore poorer, by the whole value of these men's labour.

This system of protection, by preventing the importation of foreign goods, diminishes the demand for the exportation of British goods ; and also diminishes the employment of shipping and foreign commerce, in the same way as the excessive duties on tobacco, tea, &c., and the corn laws, diminish it.

The present state of the commerce between England and France affords a decisive proof of the impolicy of the protecting system. In the natural course of things, two such countries, so contiguous to each other, and each having so many productions peculiar to itself, would carry on a trade to the amount of many millions ; but according to the accounts laid before Parliament, the whole of the trade in exports and imports does not exceed 3,000,000*l.* a-year.

Another evil of the protecting system is the increased prices of a number of articles, which are the result of it. These prices take immense sums of money from the pockets of the consumers of the protected commodities, who are not aware how large a proportion of price is caused by this kind of tax.

Prices are, in fact, so generally and so much increased by protecting duties, that it is by no means clear that they do not bear as heavily on the national resources and on the productiveness of capital and labour, as the taxes themselves ; and therefore, the reducing of these prices, by taking off protecting duties, would afford all classes of the community the greatest possible relief.

There can be no greater mistake than supposing that the manufacturers derive any benefit from protections ; for if, in the first instance, they raise profits, this leads to immediate competition, in consequence of there being nothing to exclude new manufacturers from entering into the protected trades, and profits are soon brought down

to their ordinary level. But, in truth, the persons who carry on the protected trades are more exposed to suffer than any other class of manufacturers ; for since the goods that are made under the influence of protection are necessarily dearer than foreign goods of the same kind, whenever competition in the home market leads to a glut of them, a circumstance which continually occurs, then there is no means of relieving the market by exportation ; there is no profit in carrying on the protected trades, but absolute loss ; and in addition to this, the protected manufacturers are always exposed to suffer great injury from smuggling.

Another injurious effect of protection is, that it checks inventions, and enables manufacturers to keep the public supplied with commodities of inferior quality ; for no manufacturer will incur the loss of laying aside old and imperfect machinery, and of reforming the processes of his trade, until he is forced to do so by the necessity of keeping on equal terms with his foreign competitors.

Another evil of protection is the encouragement it gives to smuggling, and it also occasions a great loss of revenue ; for if the protecting duties were reduced so as to become moderate duties, for the sole object of obtaining revenue, the increased consumption of foreign goods, which would be the result, would yield a very considerable revenue, not, perhaps, less than 1,000,000*l.* a-year.

There is not the slightest foundation for the commonplace argument, that, if British manufacturers were not protected, the low price of labour in foreign countries would enable them to supply our markets. For it is not necessarily true, that because labour is dear in England, as compared with other countries in Europe, that those countries would be able to compete with us in manufactures. The argument is built on a wrong notion of what determines us to export. Exportation takes place from England rather than from France, not because wages are lower (for in fact they are higher), but because the whole cost of production of

the exported commodities in England, is less than the whole cost in France. Of the cost of production, wages are only a part ; but they seem to be considered the whole by those who insist upon the argument in question*.

The support that is still too generally given to the protecting system, can only be accounted for by the habit of indolence with which the strongest minds sometimes receive, without examination, those opinions which have been long established. But it is satisfactory to observe, that there have been appearances of late years of a great progressive knowledge on this subject, and of a great change in the public mind.

In 1820 a measure took place, which has been well described as forming an important era in the commercial history of this country ; namely, the presenting of a petition to the House of Commons by the merchants of London, in which the principle of a perfectly free trade is proposed, and

* Par. Rev. 1825, p. 703.

supported by unanswerable reasoning. The petitioners say, with reference to the system of protections, “ That unfortunately a practice, the very reverse of freedom from restraint, has been, and is more or less adopted, and acted upon by the governments of this and almost every other country ; each trying to exclude the productions of other countries, with the specious and well-meant design of encouraging its own productions : thus inflicting on the bulk of its subjects who are consumers, the necessity of submitting to privations in the quantity and quality of commodities ; and thus rendering what ought to be the source of mutual benefit and harmony among states, a constantly recurring source of jealousy and hostility. That the prevailing prejudices in favour of the protective or restrictive system may be traced to the erroneous supposition, that every importation of foreign commodities occasions a diminution or discouragement of our own productions to the same extent ; whereas, it may be clearly shown, that although the particular description of pro-

duction which could not stand against unrestrained foreign competition would be discouraged, yet as no importation could be continued for any length of time, without a corresponding exportation direct or indirect, there would be an encouragement for the purpose of that exportation of some other production to which our situation might be better suited; thus affording at least an equal, or probably a greater, and certainly a more beneficial employment to our own capital and labour."

Similar petitions were presented at the same time from Glasgow, and all the great trading and manufacturing towns.

The following is taken from the petition of the merchants of Bristol, against the renewal of the Charter of the East India Company, presented on the 12th of May, 1829, to the House of Commons. It affords the best practical authority in favour of what has been so often stated in the preceding pages, of the advantage of extended importation in increasing the demand for British productions. The petitioners say, "That

the extension of this most important branch of commerce (our exports) with so many millions of our fellow-subjects, is prevented by the deficiency of suitable returns; for the production of which the soil, climate, and population of India are peculiarly adapted, and which need only the due application of British skill and capital. The removal of the existing restrictions will necessarily create increased demand for British goods, the increased employment of British artisans, encouragement to British agriculture, augmented and improved imports of East India produce, extended employment of British shipping, and increase of national revenue."

The Committee of Ways and Means of the Congress of the United States say, in their Report of the 12th of March, 1828, "In all cases where high duties are imposed to afford protection, foreign commerce must, in the nature of things, be diminished to a greater extent than domestic industry is encouraged;" and they add, "In closing this brief and imperfect review of the de-

stroying operation of the proposed prohibitory policy, denominated, with singular unappropriateness of language, a protecting policy, they cannot but pause to make a remark, obviously suggested by the occasion, that it is much easier to destroy than to create wealth by legislation*.”

The Committee of the citizens of Boston and its vicinity, in their Report, dated Nov. 30, 1827, on the new American Tariff, make the following remarks:—“ That dear goods made at home are better than cheap ones from abroad ;—that capital and labour cannot be employed in this country without prohibitory duties ;—that it is patriotic to tax the many for the benefit of the few ;—that it is just to aid by legislation manufactures which do not succeed without it ;—that we ought to sell to other nations, but never to buy from them, are, we have long since known, fundamental principles among the advocates of the American system. It is, however, extraordinary that these ancient and memorable maxims, sprung from

* Parliamentary Paper, 1828. No. 178.

the darkest ages of ignorance and barbarism, should take their last refuge here, and find a statesman of great reputation and knowledge willing to risk his reputation in their defence*.”

The petition of the proprietors of vineyards in the department of the Gironde, presented to the French Chambers in 1828, and signed by 12,563 individuals, all what may be called practical men, places in a clearer point of view, than any document that ever was published, the great evils of the prohibitory system, and strikingly demonstrates, that whatever it may confer on one or more branches of industry, must be obtained by the infliction of an equal or greater loss to others that are naturally more advantageous. The petitioners stigmatize the prohibitory system as a “deplorable error,” as “a contradiction,” and “an absurdity ;” and shew that their distresses have originated in the restrictions laid on the importation of foreign productions into France.

* Report, p. 35.

Such then are the consequences of the protective system ; a system which prevents those countries, which are subject to its influence, from enjoying the full measure of productiveness which their separate advantages might be made to yield ; which divides the community of each country into two classes, the consumers and the monopolists, each interested in each other's loss ; a system which bolsters up a bad principle with an infinitely vexatious detail of duties, drawbacks, and prohibitions ; and, what is worst of all, which is established to the advantage of nobody, and the disadvantage of all the world. The public interest, therefore, requires the total abrogation of it ; but this should be brought about by degrees, for it must be admitted that those who are now protected by restrictions have a right to demand that they should not be suddenly repealed, and that a reasonable time should be allowed them to prepare themselves for meeting foreign competition, or to withdraw from their present employments. This much they have a right to ask, and ought to ob-

tain, and no more ; for, if more be granted, the interests of the majority of the public will be sacrificed to those of a very small part of the community*.

One point only remains to be noticed belonging to the protecting system, namely, the opinion which some persons hold, that we should not remove the restrictions on the importation of foreign goods, unless foreign countries agree to allow our goods to be imported. But the grounds on which it is expedient for us to remove these restrictions, are the numerous injuries we suffer from them in the several ways already described ; if, therefore, we postpone the removal of them till we can persuade other countries to make an arrangement for a reciprocal removal, we postpone taking advantage of the power that is in our own hands of relieving ourselves.

The Petition of the Merchants of London, before referred to, contains the following paragraph on this point :—

* Foreign Quarterly Review, No. VI. p. 649.

“That although, as a matter of mere diplomacy, it may sometimes answer to hold out the removal of particular prohibitions or high duties, as depending upon corresponding concessions by other states in our favour, it does not follow that we should maintain our restrictions in cases where the desired concessions on their part cannot be obtained. Our restrictions would not be less prejudicial to our own capital and industry, because other governments persisted in preserving impolitic regulations.”

As the progress of industry and the increase of capital are greatly promoted by everything that adds to the annual amount of imports, the right policy is to remove all obstructions in the way of importation, without the slightest reference to what course foreign governments may think proper to adopt.

Everything has now been stated that seems necessary to be urged at the present moment in favour of a revision of the existing taxes; for though much might be said against several others that have not

been noticed, there are none which do the same injury to industry and national prosperity as those which have been under examination.

The effort which was made in 1825 to obtain a repeal of the assessed taxes, was founded on a total misconception of the comparative effects of different kinds of taxes on the interests of the people—no advantage would have arisen from the repeal of those taxes beyond the mere relief from so much taxation ; while, on the other hand, the repeal of the taxes on raw materials and manufactures, and the reduction of the enormously high duties on tobacco and foreign spirits, would be productive of considerable benefit to the consumer, would put an end to smuggling, and would increase the employment of capital, and labour, and foreign commerce. Lord Goderich is entitled to the greatest praise, for having had the firmness, in 1825, to resist the temptation of sacrificing a sound principle to the acquisition of temporary popularity ; he has the merit of being the first Chancellor

of the Exchequer who reduced to practice those principles, which are the only secure basis of national prosperity.

The inquiry, which is the subject in the preceding pages, into the effects of those taxes which have been particularly mentioned, leaves no doubt as to how much the industry and wealth of the nation would be increased, if it were practicable to modify or wholly to repeal them ; and at the same time secure, by other means, a sufficient revenue for the public service. A powerful inducement is, therefore, established to endeavour to ascertain, whether means cannot be found for making good the revenue that would be lost by giving the public the benefit of the proposed reform of taxation.

Although a general notion prevails, that no such means can be found out, it is a mere conjecture, and not deserving of any weight ; because no proper efforts have as yet been made to trace out, in sufficient detail, the sources from which new revenue might be derived, or, what is the same thing, the present scale of expenditure diminished. If, on

the one hand, the country has been going on, as would appear to be the case from what has already been said, in a progressive course of accumulating new wealth, and thus adding to the resources of new taxation; and if, on the other, a system of great profusion has been engrafted in the administration of the public expenditure, there is a strong *primâ facie* case to justify the conclusion, that, if proper measures were taken, there would be no great difficulty in providing, by new methods, a sufficient revenue for the public service.

It is, no doubt, the duty of ministers to act with the greatest circumspection with respect to every plan of reform, which, by possibility, might place the Treasury in a situation not to be able to meet the current demands upon it. But all hazard of this kind might be avoided by proceeding in the business of reducing or repealing taxes by degrees, and by making the measures for supplying new means of providing for the expenditure take precedence.

If, upon a full consideration of the policy

of removing all impediments in the way of the progress of industry, and the accumulation of national wealth, it were thought expedient to make a considerable reduction in the taxes affecting industry, the revenue might be rendered sufficient for all the public services. 1st. By the increased revenue which would arise from increased expenditure on taxed commodities in consequence of repealing the taxes and taking off protecting duties. 2dly. By the retrenchment of the public expenditure. 3rdly. By new taxes. Each of these will be examined in the following pages.

CHAPTER VII.

EFFECT OF REPEALING TAXES IN MAKING THE REMAINING TAXES MORE PRODUCTIVE.

THE extraordinary effect of reducing taxes in increasing consumption, and producing new revenue, is completely established in the Fourth Report of the Committee of Finance. The Committee refer to the accounts shewing the actual produce of the duties under the Customs, Excise, Stamps, and Assessed Taxes, compared with what the produce would have been, if the reduction of taxes which took effect after 1823, had diminished those revenues in the exact proportion which they bore to the produce of that year; and say, “It will be seen by this abstract, that the abatement of the revenue by taxes remitted, would have

been, in 1827, as compared with 1823, no less than 9,182,571*l.* and that it proved to be only 3,308,316*l.*, the difference of 5,874,255*l.*, being the increase of revenue from increased consumption *."

The fact that is here so completely established, of the immense influence of reducing taxes in increasing the revenue derived from those which remain, is of the highest importance. It fully exposes the futility of the commonplace plea, that the financial circumstances of the nation do not admit of the reduction of any more taxes; and it gives to those persons, who now argue in favour of the revision and reduction of taxes, a right to say, that a very large portion of the revenue which would appear, on a strict calculation, as likely to be lost, would be made good by the increased productiveness of the taxes which would remain. According to the case stated by the Committee of Finance, if all the taxes were repealed which fall the heaviest on industry, the loss of

revenue would amount to but a few millions.

As some of the measures for reforming our present taxes will lead to the production of revenue, where little or none is now produced, these should be taken into the account, in shewing how lost revenue may be made good. For instance, by altering the present prohibitions and duties on corn and other agricultural productions, to a duty of 12 per cent., such a duty would, in all probability, produce a revenue of six or seven hundred thousand pounds a year on corn, and of three or four hundred thousand pounds a year on other productions of land. By reducing, as has been proposed, all the protecting duties to 10 per cent., so as no longer to keep any duties for protection, but only for revenue, such large quantities of various kinds of foreign articles would be imported, that a revenue of a million a year may reasonably be calculated upon as the result of such an arrangement. If the duties on coals exported to foreign countries were reduced one half, an additional revenue of three or four

hundred thousand pounds would be received: and if machinery were allowed to be exported under a duty of about 12 per cent., so great would, no doubt, be the demand for it, in all parts of the world, that a similar amount, at least, of revenue would be obtained in this way. If those monopolies and protections, which have been mentioned as having the effect of taking many millions annually out of the pockets of the people, by the high prices they occasion, were removed, this would leave these millions to be expended on taxed commodities, and thus augment the revenue. What has been already said on the subject of the Malt duty, shews that a proper revision and reform of the regulations by which it is collected, and of the licensing system, would, to a certainty, be accompanied with a considerable increase in the revenue derived from this duty. So that, on the whole, when the effects which would ultimately be produced on the public revenue are duly examined, it is clear that if several millions were surrendered in the first instance, in order to give new force to

national industry, the measure itself, with the other reforms of duties which it is proposed to accompany it, would reproduce a very large portion of them.

CHAPTER VIII.

RETRENCHMENT.

IN the following pages the public expenditure will be examined in detail, in order to point out where retrenchment may be introduced; but before going into this inquiry, some general observations will be made to explain—First, the necessity of it; secondly, the practicability of it; thirdly, the principles on which it ought to be conducted; fourthly, the difficulties in the way of accomplishing it.

First, retrenchment is necessary as one of the principal means of relieving industry from a large part of those taxes which press the heaviest upon it. Sufficeit has already been said to explain in what manner taxation restrains the progress of industry and of national wealth.

Retrenchment is also necessary as a preparation, in order to protect the finances of

the country from the destructive effects of the funding system, whenever a new war shall take place; for in proportion as our peace establishment is low, the difficulty of procuring the additional funds which a war will require by war taxes will be less.

Every one must admit, that if we have to begin a new war with a peace expenditure of 55,000,000*l.*,* the prospect will be most

* The following is the account of the public expenditure in 1827, as given in the Fourth Report of the Committee of Finance.

1. Charges of collection	-	-	£3,868,761
2. Payments for bounties, and other services charged on the gross revenue	-		1,339,725
3. Payments for interest, &c. on the funded and unfunded debt, including the Russian loan raised in Holland	-	-	28,940,701
4. Permanent civil services, including the civil list	-	-	2,103,105
5. Occasional expenditure and advances under Acts of Parliament	-	-	363,511
6. Civil services, voted under the head of Miscellaneous	-	-	2,863,248
7. Military and naval services, annually voted			16,205,812
			<hr/>
			£55,744,863

All the calculations in the following pages of sums that may be retrenched, are made with reference to this expenditure of 1827.

frightful; nor can any one take a comprehensive view of the state of public affairs, and feel satisfied in observing, that while the most expensive preparations for war are making in all the military departments, none is made for placing the treasury in a state to provide for those demands upon it, which a war will occasion.

Under these circumstances, recourse will probably be had to borrowing to a great amount, and to new permanent taxes; measures which will expose the country to suffer the loss of its manufactures, and finally to undergo all the evils of a national bankruptcy. For these reasons, it is the bounden duty of ministers to make every possible retrenchment, and to confine the public expense within the narrowest limit within which it can be compressed, consistently with the maintenance of the tranquillity and independence of the country.

Secondly, as to the practicability of retrenchment, the zeal with which all existing expenses are defended throws a considerable difficulty in the way of proving it.

Each public department stands prepared to give the most confident reasons why it is absolutely necessary to keep up the scale of its expenditure to the exact point at which it now is. Every kind of sophism, insinuation, and assertion is worked up with vast ingenuity into a case to resist any attempt at effective retrenchment; and not only government and parliament, but also the public, suffer themselves, in this way, to have their judgment influenced rather by the personal authority of official men, who are always endeavouring to keep their respective services in the highest possible state of equipment and show, than by those principles of a sound system of finance, which require that that portion of the public expense which is incurred for military preparation and protection, should be regulated by the quantity and measure of the danger to be guarded against.

It is almost impossible for persons, not themselves in office, to have sufficient knowledge of details, to be able to expose the fallacies on which the pleas for expense are

enforced ; and the absence of such an exposure produces too often a belief, that the expense is necessary. The only mode, therefore, that is left for making out a case to establish the practicability of retrenchment is, by reasoning on probabilities, founded on those facts which are within the observation of every one. Although this is necessarily an imperfect kind of proof, the facts of profusion which can be adduced, when combined together and patiently examined, will be quite sufficient to lead to conclusions that will leave no doubt on any unprejudiced and disinterested mind.

1. When we see how great the expense of the army, navy, and ordnance services is, in comparison with what it was in the peace preceding the war of 1793, we have a right to infer, *primâ facie*, that the present expense is much too great ; and the *onus probandi* rests, clearly, with those in authority, to point out what the circumstances are which can justify so great an additional charge on the public. It may be seen, on referring to the evidence taken before the

Committee of Finance of 1828, that they concurred with this opinion; for they commenced the examination into each of the above-mentioned departments by quoting a similar opinion of the Committee of Finance of 1817; and calling on the witnesses for an explanation of the causes which had led to so expensive a peace establishment.

After beginning their labours on such a principle, there can be little doubt that if they had been re-appointed in the last Session, they would have recommended considerable reductions in our military and naval forces to have been made, as soon as the war in Turkey and the affairs of Greece were settled.

It is customary for the advocates of the present scale of expenditure to assume that Mr. Pitt was guilty of very unstatesman-like conduct, in having fixed so low an establishment in the peace preceding the war of 1793. But the defence which was made by Lord Grenville of Mr. Pitt in the House of Lords, on the 14th of February, 1816, should be attentively examined, before this assumption

of persons interested in the present scale of the expenditure is allowed to have much influence. Lord Grenville on that occasion said, "He wished to call their Lordships' attention to the state of our establishment in a former period of peace—he meant the period between 1783 and 1793. The establishment of that period was now to be not only doubled or trebled, but quadrupled, quintupled. He well remembered that at that period there was considerable doubt whether the establishment was not larger than the circumstances called for. The subject was much discussed, and the propriety of so large an establishment rested on the peculiar circumstance of Europe at that period. He had heard it said, that the great man who was then minister had changed his opinion, and had observed that in acting to the best of his judgment in requiring only 1,800,000*l.* for the army, and 2,000,000*l.* for the navy, he thought, on reflection, he had ill discharged his duty. But he did most positively declare that he had not the smallest recollection, that he had no belief that Mr. Pitt ever expressed himself

otherwise on that subject than in terms of self-congratulation and conscious satisfaction, that he had, by the most scrupulous economy, at that time enabled the country to meet that dreadful period of trial which it had afterwards to encounter. He was convinced, that if Mr. Pitt were now alive he would have anxiously enforced the propriety of a low military expenditure at this period of peace ; and it was only by following the plan of that great man, and bringing the expenditure of the army and navy to the very lowest practicable point, that any hope remained of extricating the country from those difficulties in which it was involved *."

It is by no means sufficient to be able to say, in order to meet the charge of profusion in the military expenditure, that the services are in a very high state of efficiency ; for this charge can be properly met, only by shewing that preparation and equipment have not been carried beyond the point which mani-

* Hansard's Debates, vol. xxxii. p. 514.

fest grounds of public necessity prescribe. Unless this condition of necessity is taken into consideration, the expense to be incurred for the public service would be a mere matter of fancy, and might be made twice what it is without any blame, provided that efficiency and equipment was doubled at the same time. Although this principle of necessity appears to be so evident as almost to make it unnecessary to point it out, every one must be sensible, who has closely watched the reasoning of those military authorities according to which our establishments are regulated, that it can have had but little consideration in their minds.

Referring, therefore, to the fact of the very great present amount of the peace establishment in comparison with what the establishment was prior to 1793, and no satisfactory reasons being given, grounded on a proper exposition of the danger to be apprehended, to prove that a public necessity exists for fixing it at treble the former amount, we come to the conclusion that a case can be

made out to shew that retrenchment is practicable in our military and naval expenditure*.

2. The admitted spirit of profusion which prevailed during the last war, coupled with the fact of nothing having since been effectually done to control it, suggests another argument for its being possible to make a considerable reduction in the expenditure. The nature, character, and extent of the late war destroyed all previously established systems of control and economy. The facility of getting money by loans, through the help of inconvertible bank paper and of the sinking fund, led to that boundless expenditure in subsidies, expeditions, fortifications, military pensions, civil superannuations, and increased salaries, which consumed so many millions, and of which we are now feeling the effects. Now, though the war is over, the spirit of this profusion survives; for it is not possible to point out any measure, or system of measures, which has produced any general and decided change

* This conclusion is further established in the following pages, under the head of Army and Navy Expenditure.

in it; and therefore there can be no doubt that if a strict spirit of economy were substituted in its stead, a great deal of the present expenditure might be reduced*.

3. The fact that is admitted on all sides, that the Treasury has for many years ceased to exercise the control that belongs to it over the public expenditure, makes it even more than probable, that if it resumed and rigorously enforced its rights over the departments, a great deal of useless expenditure would be put a stop to. Before Mr. Pitt's administration, the Treasury exercised an active control over the public expenditure; but under his administration it would appear, from the following extract from a speech of the late Lord Lansdowne, on the 28th of February, 1797, that it had ceased to do so. "Every office," Lord Lansdowne said, "seemed to be the lord of its own will, and every office seemed

* Although the present administration has shewn, in several instances, a disposition to be economical, nothing has been done in a way to make an impression on a so long-established evil as the profusion of several preceding governments.

to have unlimited power over the purse of the nation, instead of their being, as the spirit of the constitution directed, under the constant check of the Treasury. It used to be the distinguishing feature of the British administration, that the Treasury was its heart; it distributed the necessary nourishment to the other parts, and every thing flowed from it as the commanding centre; the other departments were necessarily subordinate." In point of fact the great departments, which have the management of the expenditure, attended the Board of Treasury with their annual estimates, for the purpose of examination and of explanation previously to their being submitted to Parliament. The estimates were fully considered in all their details; and the officers who attended were questioned and heard previously to the final decision and approbation of the Board being entered on its minutes. This was all consistent with the ancient, and constant, and uniform system of check and control which had been invariably exercised by the Treasury over the expenditure of all the

departments, in all their branches, and in all their details *.

If this system of check and control were again brought fully into practice, there can be no doubt that retrenchment to a large amount would be found to be perfectly practicable.

4. The numerous reports on the public departments which have been made by Commissions of Inquiry and Select Committees of the House of Commons, shew that there is not one of them, of which the constitution and organization is not extremely defective. Every department has more branches, and every branch more officers and clerks, than would be necessary if a proper principle of consolidation were adopted for the despatch of public business, and for the control of the individuals intrusted with it. In addition to this, the forms of doing business are ancient and cumbersome; reformation, which has made such

* From MS. Treasury Document on the Ordnance Department, No. 2, referring to precedents from 1755.

universal inroads into ancient institutions, and with such universal advantage, has been successfully excluded from the public offices—returns are required of what is doing to a useless extent—checks are heaped upon checks of no real use—and correspondence is carried on between office and office, and between the offices and individuals, in a manner quite uncalled for by any public benefit—salaries have been immensely increased, and very large sums of money have been squandered on official residences.

With proofs upon proofs of the existence of these facts, the conclusion cannot be shaken, that a great saving of expense would be the consequence of such a revision of all the departments, as would introduce modern improvements, instead of a system of organization and regulation, of which the origin may be traced back to centuries from the present time.

5. The complicated and multifarious methods of keeping accounts in all the public offices—the numerous and dilatory

methods of auditing them—and the almost incredible fact, that there is not made up in any office such a document as an account of the actual annual expenditure of the public money, shew that there is reason for presuming, that if all this was changed, and a simple, uniform, and accurate system of public accounts introduced in its stead, a great retrenchment might be made in all the official establishments—at the same time that the public money would be under a more secure custody.

There are some cases of expenditure in which there is no difficulty in bringing forward direct proofs of the practicability of retrenchment; as for instance, the Bounties on Linen, on the Fisheries, and on Sugar—the management of the National Debt—the Office of Lord Lieutenant of Ireland—the Irish Miscellaneous Services—and the Colonial Expenditure.

Thirdly. With respect to the principles on which retrenchment should be conducted, it is of the greatest importance that they should be well considered, and when decided

upon, most severely adhered to. No person can have his mind in a perfectly fit state to form a judgment on any question of retrenchment, without having acquired the habit by previous study—of referring to what the uses and object of government is, and the grounds on which taxes are paid. The great error which is commonly committed, is taking the utility of an expenditure as a sufficient justification of it; whereas, however useful it may be, if it cannot be shewn to be absolutely necessary for securing some public object that could not be had by any other means, it is superfluous and ought to be discontinued. It is not an uncommon opinion among those persons who are in situations to have considerable influence in matters of finance, that we ought first to secure all the revenue we can, and then regulate the expenditure according to it. Others allow themselves to be guided by their feelings and their passions, and not having any fixed principles to go by, are continually favouring expense, and resisting economy, when cases of apparent

individual hardship come before them : not recollecting what those persons suffer, who pay the taxes for providing for the effects of their mistaken compassion and unjustifiable liberality with the public money. If right principles were referred to, they would suggest that taxation is the price we pay for government ; and that every particle of expense that is incurred beyond what necessity absolutely requires for the preservation of social order, and for protection against foreign attack, is waste, and an unjust and oppressive imposition upon the public. Every minister, and every member of parliament, who has the power to spend or to save the public money, should do all in his power to prevent the wants of the state from depriving the people of the means of providing for their wants ; and, therefore, economy and frugality, which are virtues in a private station, from their vast influence upon national happiness in a public station, become the most pressing of duties.

Fourthly, the difficulties of carrying into effect a complete system of retrenchment

are extremely great. The first is to get ministers to comprehend the necessity of it, and to understand the means by which it may be accomplished.

The distaste for abstruse reasoning, and the prejudice against the science of political economy, confine the numbers to a few, among those who take a lead in public affairs, who possess an extensive acquaintance with trade, and finance, and with the principles which ought to govern these branches of political science.

But if the first difficulty is overcome, of getting a government sufficiently informed as really to comprehend the necessity of retrenchment, and willing to retrench, another great difficulty presents itself,—namely, the opposition which is sure to be made to their plans of economy, even by their own friends, in both Houses of Parliament. When measures of economy have been proposed by Government, the House of Commons has so frequently been anything but faithful in its representative character, that a government cannot but be very much checked in at-

tempting to carry into effect such a system of reform, as the circumstances of the country require. The remedy for this is, for Government, instead of exaggerating every trifling appearance of prosperity, to explain fully, and without reserve, all the facts of suffering and injury which shew the propriety and necessity of retrenchment, so as to excite the public to interfere and control their representatives. This is the way in which committees of the House of Commons may be made of great service; and perhaps it is the only way by which the opposition to retrenchment, which is the consequence of the interest which peers and members of parliament have in continuing a profuse scale of expenditure can be successfully resisted. If the public were made thoroughly acquainted with the causes which keep it up at its present amount, they would very soon load the tables of parliament with such remonstrances, as would enable government to carry their measures, without being exposed to be defeated, as they were last year in the Superannuation Bill, by mem-

bers holding offices, taking a lead in opposing it.

In order that nothing may be omitted that can be urged in support of the general reasoning which has been advanced respecting the practicability of retrenchment, the public expenditure will be examined in detail under the heads of

1. The collection of the revenue.
 2. Bounties.
 3. The control and management of the expenditure.
 4. Civil government.
 5. Military expenditure.
 6. The slave trade.
 7. The interest on four per cent. stock.
 8. The sinking fund.
 9. Colonies.
 10. Ireland.
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CHAPTER IX.

THE COLLECTION OF THE REVENUE.

IN the following short statement there seems to be a strong case in favour of the practicability of making a very considerable reduction in the charge for collecting the revenue.

In the year 1806, the gross receipt of revenue of the United Kingdom was 58,255,175*l.*, and the charge for collecting it was 2,797,722*l.*

In the year 1826, the gross receipt was 54,839,685*l.*, and the charge for collecting it 4,030,337*l.*

Hence it appears that 58,255,175*l.* was collected in 1806, at a less charge by 1,232,615*l.*, than 54,839,685*l.* was collected in 1826 *.

* There is no account made up for 1827 and 1828, on the same plan as that here quoted; but no considerable change has taken place since 1826 in the charge for collection.

The accuracy of this statement cannot be disputed, because the dates and figures are taken from accounts which were prepared by the Treasury for the Committee of Finance, with the view of supplying the place of the annual accounts, which cannot be relied on*.

The present charge of nearly 4,000,000*l.* a year for collecting 54,000,000*l.* is $7\frac{1}{2}$ per cent†. If by any means it could be reduced to 5 per cent., the saving under the head of collection would be 1,300,000*l.*

The circumstance of the charge of collection continuing so high, is a proof that there must be, somewhere, great fault ; because much of late has been done for the purpose of diminishing it. This subject has been examined into by three Select Committees of Finance, and at least three different Commissions of Inquiry ; and numerous improvements have been adopted at their suggestion ; the principal of which are, the abolishing of the several revenue bonds in

* Finance Acc. Committee of Finance, No. II. p. 18 ; and No. III. p. 60.

† Net Revenue.

Ireland and Scotland, and of the patent offices; the consolidation of the duties and of the laws *, and the introducing of a great many regulations for promoting the despatch of business. As the result of the whole of the attempt to economise is an increase in the charge of collection, it shews the spirit of profusion still holds the masterhand.

It appears, from accounts laid before the Committee of Finance, that the revenue collected in 1827 from the customs duties, was received from 566 duties on as many different articles :—

18 articles produced	£100,000 and	} £ 17,683,445	8	8
upwards, making	- -			
9 articles produced	50,000 to 100,000	784,415	18	6
9 do. do.	25,000 to 50,000	370,066	17	1
20 do. do.	10,000 to 25,000	370,402	5	1
510 do. do.	less than 10,000	585,072	6	0
Miscellaneous articles		20,903	7	7
566				
Gross Revenue		£19,815,206	3	1½†

* Too much praise cannot be given to those individuals who originated, and successfully carried into execution, in 1825, the plan of consolidating the revenue laws.

† Paper of Com. Fin. No. 173, p. 11.

This sweeping system of taxation shews that the customs' duties laws have been framed by persons but little acquainted with the principles of trade and finance, and not having the slightest consideration for the feelings and conveniences of individuals, or for the interests of foreign commerce. The effect of it is to render the accounts complex, and to generate smugglers. Prices are enhanced with little or no advantage to the revenue ; the comforts and enjoyments of the people are uselessly abridged ; and a great deal of delay, vexation, and loss, must attend the collecting of duties on so many hundred commodities. Each of the duties on the 510 articles, which produce less than 10,000*l.*, should be repealed ; the business of collection would then be confined to 56 articles, and the saving of expense in management would, in all probability, be greater than the revenue (585,000*l.*), which would be lost by repealing these duties.

The circumstance of the Excise revenue being collected at a low rate of charge per cent. is not a conclusive proof that there is

less profusion in this department than in the others ; for a large proportion of this revenue is paid by a few individuals, on operations carried on upon a large scale, and requiring the attendance of few officers in proportion to the sums derived from the duties, of which they have the charge.

The regulations for collecting the duty on malt are carried to such an extent of unnecessary, and, with respect to the trade, destructive details, that they afford direct testimony of the practicability of diminishing the number of officers employed, by simplifying the system of collection. In this case the zeal for securing revenue has so kept down the trade of malting, as to have made the consumption stationary for the last forty years ; whereas there can be no doubt that, if the trade had not been so harassed by excise rules, checks, and penalties, the consumption would have increased with increased population and wealth, and, consequently, the revenue derived from it. So that, in point of fact, the mistaken zeal with which the excise department has sought to

benefit the revenue, has produced a loss of at least from one to two millions a year on the article of malt alone. The stationary state of the glass manufacture, for a number of years, and of other trades subject to the excise laws, is to be accounted for, in a great degree, by ignorant and harassing regulations. Excise legislation, from being wholly in the hands of clerks, has been grounded on the narrow principle of grasping, by force of penalties, at the capital of manufacturers, in direct opposition to those enlarged and sound principles which would combine in harmony the interests of trade with those of the revenue.

As no inquiry has been made into this department for a great many years, it is impossible to know whether it is well or ill managed: some circumstances have transpired, particularly with respect to the distilleries, which afford reason to suppose, that if an inquiry was instituted, occasions would be found for making many improvements, and saving a great deal of expense.

Some of the duties of excise yield so

little revenue, that there can be no good reason for continuing them. The net revenue received in 1828 was as follows :—

On cider and perry	-	-	£37,233
Starch	-	-	87,348
Stone bottles	-	-	3,405
Sweets and mead	-	-	2,606
Vinegar	-	-	24,500

These duties are liable to the same objections as those just made to the customs' duties, which produce little revenue, and ought to be repealed.

The repeal in 1825 of those parts of the assessed taxes which were productive of a comparatively trifling profit to the revenue, forms a good precedent for repealing this class both of customs and excise duties.

The net revenue from hackney coaches and pedlars, in 1828, paid into the exchequer, was only 55,000*l.*, and the charge for collecting the gross revenue of 77,437*l.* was at the rate of 13*l.* 18*s.* 7*d.* per cent. The small amount of revenue, and large expense of collection, are good reasons for repealing these duties. There is no justice in making the inhabitants of London alone subject to

be taxed for hackney coaches. The tax on hawkers and pedlars has its origin in a notion that the public interest is benefited by protecting shopkeepers against the competition of itinerant dealers. As the trade carried on by them is particularly convenient and beneficial to the public, this penalty on industry should be removed.

CHAPTER X.

BOUNTIES.

IN 1827, 202,011*l.* was paid for bounties on linen and sailcloth exported*. The impolicy of this expenditure has been so far acknowledged, that an act was passed in 1828, for putting a stop to it on the 5th Jan. 1832; but this is too distant a period, and will occasion a considerable waste of money.

In 1827, the following sums were paid for bounties for encouraging the Fisheries of Ireland and Scotland:—

	£.
Out of Customs for Irish Fisheries - -	24,965
Out of Excise for Scotch ditto - - -	67,230
	<hr/>
	£92,195†
	<hr/>

By the 3 Geo. IV. c. 64, 3000*l.* a year is granted to the Commissioners of Scotch Fisheries; and by 59 Geo. III., c. 109 § 66,

* Paper, Com. Fin. No. 43, p. 2.

† Ibid.

5000*l.* a year is granted to the Commissioners of Irish Fisheries.

The professed object of encouraging the fisheries by bounties, is to increase the employment of capital and labour. The advocates of them, in this instance, adopt a theory of the most erroneous kind; for nothing can be more clear than that the increase of the employment of capital and labour in a country can only be the result of an increase of the general capital of that country, and cannot, in any way, be the result of bounties raised by taxes. The bounty process consists merely in taking money from the pockets of one class of persons, and giving it to another; and, therefore, it is wholly impossible that these bounties can be productive of the objects sought after. The more the question of bounties is examined, the more clearly it will appear that it is impossible that any branch of industry can be in a sound state, that requires to be bolstered up by the aid of them, and that is subjected to the regulations of Commissioners, and the hourly in-

terference of the persecuting zeal of subordinate agents in inflicting the enforcement of these regulations. “ If, as there seems no doubt, the fisheries afford the means of employing labour and capital with advantage, the employment of them in this way will be a matter of course, as well as in any other department of industry. But if the fisheries be not a business of this kind, if they cannot support themselves without the aid of bounties, then it is plain that the persevering in this business cannot be of any real or lasting advantage *.”

It has been considered necessary to give this explanation of the waste of money in continuing these bounties, notwithstanding that by the law, as it now stands †, they are to cease on the 5th of April, 1830 ; because the putting an end to them has, of late years, been so often enacted by law, and so often postponed, that it may be set down as certain, that every effort will be made

* *Wealth of Nations, Note of Editor*, vol. iv. p. 430.

† 7 Geo. IV. c. 34.

to continue them. This has in part been done in a Report of the Irish Commissioners, but not signed by any of them, which was laid before the House of Commons in the last Session. The want of signatures to this report shews how regularly affairs of this kind fall into the hands of secretaries and other officers; and that, in point of fact, bounties for public encouragement end commonly for their benefit. Instead of continuing these bounties, all regulations of the fisheries should be got rid of by repealing the laws for appointing Boards of Fishery Commissioners, by which the expense of large establishments of secretaries, clerks, inspectors, &c. would be saved.

By the 9th of Geo. IV. c. 76, the bounties on sugar exported are 9-10ths of the bounties granted by the 6 Geo. IV. c. 113, which were as follows:—

	£.	s.	d.
Bastard, per Cwt. - - - - -	1	10	0
Other refined Sugar, ditto - - - - -	2	6	0
Double refined, ditto, an additional bounty of per Cwt. - - - - -	0	8	0

That part of the bounty which is equal to the duty originally paid on the importing of the raw sugar is only a drawback; but the remainder of it, which is said by some persons, of good authority, to be as high as 6*s.* or 7*s.* a cwt., is a gift of so much public money, in the way of bounty, to the exporting merchant, for the benefit of the West-India planters and the foreign consumers.

In 1828, 456,844 cwt. of refined sugar were exported, and the amount paid as drawback and bounty, under the name of bounty, was 920,718*l.* Supposing the bounty to be 5*s.* per cwt., the sum paid out of the public purse, for the purpose of encouraging the sugar trade, and the particular advantage of the West-India sugar planters, was 114,211*l.*

It is not easy to discover on what principle of justice or policy taxes are imposed on the people of the United Kingdom, for the particular and special advantage of the owners of sugar estates in the West Indies. Why should 114,000*l.* a year be levied on the raw materials of British manufactures, for

the purpose of adding to the profits of the West-India planters, in their capacities as manufacturers of sugar, at the cost, and to the great injury of those manufacturers who make use of these materials ?

What has now been said on the subject of the bounties on linen, fisheries, and sugar, shews that nearly 400,000*l.* may be saved by abolishing them ; and that there is not the slightest reason for not doing so. All this money is completely thrown away ; and surely it would be better to take off some tax on a raw material that now produces 400,000*l.* a year, than apply the public money in this useless manner.

CHAPTER XI.

THE MANAGEMENT OF THE PUBLIC EXPENDITURE.

THE following is a list of the several departments that are intrusted with the business of expending the public money, pursuant to the general appropriation of it by Parliament. The sums which are paid for their establishments are stated as accurately as the documents respecting them will admit of:

	£.
1. The Treasury, including the Commissariat Department, in 1827 - - - }	80,542*
2. The Exchequer - - - }	48,000†
3. The Audit Office, in 1828 - - - }	32,977‡
4. The Bank of England, do. - - - }	267,597§
5. The Commissioners of the Sinking Fund, do. - - - }	10,350||
6. The Civil Departments of the Army, do. - - - }	108,837¶
7. Ditto of the Navy, do. - - - }	179,647**
8. Ditto of the Ordnance (the Tower and Pall-mall), do. - - - - - }	57,961††
	£779,911

* Paper of Com. of Fin. No. 102. † Ib. No. 27, and Par. Pap. 1822. No. 110. ‡ An. Fin. Acc., 1828, p. 137.
 § Ib. p. 134. || Ib. 134. ¶ Army Estimates, 1828.
 ** Navy Estimates, 1828. †† Ordnance Estimates, 1828.

This account shews only the expense of the civil establishments in London, and therefore falls very far short of shewing what the total expense is of the civil establishments of the military departments.

The Treasury.—It appears, by a paper laid before the Committee of Finance, that the expense of this department, which is now 80,542*l.* was, in 1797, 44,066*l.*—so that it has nearly doubled since that time. Although the income and expenditure, the superintending of which constitutes the chief business of the Treasury, of 1797, was as great as the income and expenditure of 1827.

As the Treasury exercise the same powers, and discharge nearly the same duties now as they did in 1797, this immense increase of expense in the establishment of a department whose duty it is to control the other departments, is alone sufficient evidence of the profusion with which salaries must have been increased, and officers multiplied. There are no fewer than fifteen clerks in the Treasury, who receive salaries amounting to

1000*l.*; five of these fifteen receive 1500*l.* a year each, and upwards*.

Nothing can more fully shew the want of system and uniformity on the part of those persons by whom public business has been originally regulated, and the necessity of revision and reform, than the mode by which the Treasury establishment is paid—for instance, some of the salaries are paid out of the Civil List; some out of a fee-fund; some out of the Customs' revenue, and some by an annual grant of Parliament. Such kind of complication must lead to great perplexity and confusion of accounts, and frustrate all efforts to keep down the expense of official establishments.

The Exchequer.—It is so generally acknowledged that the forms by which business is carried on in this office are antiquated and absurd, that it would be wasting time to give any description of them; and as there seems to be but one opinion with respect to the expediency of abolishing this office, as an expensive and inconvenient

* Paper No. 102.

mode of doing business, what deserves most to be attended to is, the consideration of the sort of office which should be substituted in its stead. As the chief duty of the Exchequer, so far as the public money is concerned, is to take care that no issues of it are made by the Treasury without their being in conformity with the authority specially enacted by Parliament, it ought to be easily and effectually performed by a small department, consisting of a few officers, and occupying only a few rooms.

The Audit Office.—Little need be said here concerning this office; for if a proper system is adopted for keeping the public accounts, it will be necessary to make a total change with respect to its present functions, or perhaps wholly to get rid of it.

Management of the Debt.—The Bank of England annually receives about 270,000*l.* for its trouble in paying the dividends. This is a very extravagant misapplication of the public money; for had the government made a proper bargain with the Bank, they would not have allowed it the

benefit of exclusive privileges in carrying on the trade of banking, and of holding several millions of balances of public money free of interest, without having required them, as a condition of these advantages, to pay the dividends. In the numerous discussions which have taken place on this subject in the House of Commons, the extravagance of the arrangement has been but little disputed ; but it has been suffered to continue on the ill-supported plea that it was binding on the public so long as the present charter had to run. As this is now so near its close, the advantage the Bank derives from holding the balances of the public money should be taken into account, in making any new arrangement with them respecting the dividends, so that the whole of the sum now paid for the management of the debt may be saved.

The Civil Departments of the Army.

Paymaster of the Forces.—The office of the Paymaster of the Forces is a sinecure. The business of it is performed by a deputy

and three cashiers. As each of these persons has a power of drawing money out of the Bank of England on his own order, the effect of this office, being a sinecure, is to diminish considerably the security of the public. It is also attended with this further inconvenience, that it multiplies the number of imprest accountants, and thus adds to the difficulty of establishing a proper system of keeping the public accounts.

The true remedy for these evils is, to adopt an entirely new principle for the management of all payments of public money, by having one department for this purpose, instead of a paymaster or treasurer for each department. How this may be carried into effect will be explained after the examination of the offices of the treasurers of the navy and ordnance, and of other pay offices.

Comptrollers of the Army Accounts. — Strange as it may seem, the office of Comptrollers of Army Accounts has nothing to do with the accounts arising out of the money voted in the army estimates; these come

under the War Office. The Comptrollers' office ought to be called that of Auditors of a portion of the Accounts of the Army Extraordinaries.

Army Extraordinaries.—Nothing can be more opposed to every principle of simplification and consolidation in conducting public business than the account which is called the army extraordinaries. The best-informed official men admit that it leads to a great confusion of accounts, and can only be intelligible to persons who are in office, or who bestow a great deal of time in unravelling it.

The vote of parliament for the army extraordinaries is explained, as “not being matter of previous estimate or specific grant*”, such as is contained in the army estimates. It includes, among other items, the pay, clothing, allowances, recruiting, &c. for the forces serving in India; and, although the sum annually voted is no more than 800,000*l.* or 900,000*l.*, the payments

* Report of Messrs. Brooksbank and Beltz on Public Accounts, p. 55.

that are made, and stated in the annual account, which the paymaster of the forces lays before parliament, commonly amount to 3,000,000*l*.* This arises, in part, from payments made nominally for army extraordinaries during the year, comprehending a considerable number which do not belong to that head of service, but which are of the nature of temporary advances for other services provided for by parliament, and which it is convenient to pay, in the first instance, under the name of army extraordinaries, and afterwards to adjust by repayments from specific grants†. The consequence of thus making the paymaster of the forces pay for those services that are not belonging to the army, is, the producing annually to parliament of an account with a perfectly false title. This scheme of army extraordinaries serves to conceal from parliament and the public a great deal of wasteful and illegal expenditure: for instance, the sums paid at home to colonial agents, and the sums drawn from abroad for colonial ex-

* Report of Messrs. Brooksbank and Beltz, p. 53.

† *Ib.* 3.

penses, although they are wholly for civil colonial purposes, are paid as army extraordinaries, and without any previous vote of parliament; in point of fact, as what constitutes, in reality, the vote of the army extraordinaries, is the balance of the account of every expense called by this name, and any expense may be so called, there is no kind of expense that may not be covered by this sort of parliamentary sanction.

As there would be no difficulty in putting into the army estimates the expenses to be incurred for the forces serving in India, these expenses, and all other military expenses that can be specified, which are now voted in the mass, and without being named in the army extraordinaries, should be put into the army estimates; and also such a sum as might be wanting for other military expenses which could not be specified, but the heads of which may be stated. In this way the vote for the army extraordinaries would be got rid of, and the whole of the army expenditure would be brought into the War Office, and placed under a uniform and systematic control with the rest of the

military expenses. A further advantage would be gained by this arrangement,—namely, the getting rid of all pretext for continuing to keep up the office of controllers of army accounts.

The payments which are made for other services, under the name of army extraordinaries, should be made in some new way, so that the use of the military chests under the care of the commissaries abroad may be continued, and so that the several branches of the public services may be furnished with the same kind of banking facilities and conveniences, as they now have.

The Commissariat.—There are some circumstances belonging to the Commissariat which call for observation. The first is, that of the business of providing bread, meat, forage, fuel, and candles for the army and artillery in the United Kingdom, and fuel and candles for the troops on foreign stations, being under the management of the Treasury; for so it is, in consequence of the Commissariat department being a part of

the treasury. It is said, that the government wished to transfer this business to the Ordnance in 1822, when the providing of other military stores was transferred to it ; but that the then master-general objected to it. The peculiar unfitness of the treasury to transact this kind of business, and the fitness of the ordnance for it, shew that the transfer of it should not be longer delayed.

The next circumstance to be noticed relates to the accounts of the commissaries. As they are necessarily both cash and store accountants, the course adopted in examining and auditing their accounts shews with what negligence the modes of doing public business have originally been arranged : for those accounts which relate to pecuniary expenditure are audited by the Audit Board, while the store and provision accounts are committed to the exclusive investigation of the comptrollers of army accounts.

So many obvious considerations lead to the conclusion, that the entire accounts,

whether cash or store, of a public accountant, ought to be simultaneously examined by one and the same department, that an alteration in the present system should be immediately made*.

The employing of Commissaries of Accounts abroad was suggested in consequence of the great accumulation of accounts during the war; but since the conclusion of it, the motives which originated the plan have gradually ceased to have any force, and therefore the public may be saved the expense of keeping up any Commissaries of Accounts†.

Army Agents.—It would appear that there is no necessity for incurring the expense of having Army Agents. The accounts of the paymasters of regiments are examined at the War Office, and not by the agents; and all the agents do for the public, is to receive money from the Paymaster of the Forces, and to pay with it the drafts of the re-

* Report of Messrs. Brooksbank and Beltz, p. 107.

† *Ib.* p. 107.

gimental paymasters: their other duties are private, and for the benefit of the officers of the army*.

The measure which would the most contribute to diminish useless expense, and secure an efficient performance of duty in the civil departments of the army, is the constituting of an Army Board, to be composed of the heads of each chief branch of the service, on the plan of the Ordnance Board. By doing this, a more concentrated direction would be established, and the whole control of the army expenditure would be rendered more effectual. A precedent for such an arrangement for conducting military affairs, is afforded by the Army Board which presides over and manages the East India Company's army. This board is composed of the Commander-in-

* Evidence of Lord Palmerston, before Committee of Finance, p. 234 and 219. The whole of the evidence given before the Committee of Finance having been laid upon the table of the House of Commons, as well as all the papers and accounts which the Committee called for, it is quite regular to refer to them as public documents.

Chief, as President; the General Officer commanding the Presidency Division of the army, as Vice-President; the Chief Engineer, the Commandant of the Artillery, the Quarter-Master General, the Adjutant-General, the Commissary-General, and the Military Auditor-General. In this board, as in the English Ordnance Board, there is an individual responsibility and duty, superintended by the general control of the individuals themselves, in their capacities as members of the board*.

Army Accounts †.—It would appear from

* Paper, Committee of Finance, No. CLI. Answers of Mr. Brownrigg.

† The Committee of Finance, soon after they were appointed, suggested to government the expediency of having an inquiry made into the methods employed of keeping accounts in the public offices. Accordingly, Messrs. Brooksbank, Beltz and Abbot were appointed commissioners for this purpose. It appears that the two first-named gentlemen have not acted with Mr. Abbot; in consequence of which, they have presented one Report on the Accounts to the Treasury, and Mr. Abbot has presented another. Both have been laid before parliament, and printed.

the Report of Messrs. Brooksbank and Beltz on the Public Accounts, that the mode of examining the regimental accounts answers every purpose; and that but some slight improvements are wanting, to make the mode of keeping the accounts of the Pay-Office efficient. They say, “That the books neither of the Navy-Office, of the Victualling, nor of the Ordnance, will enable those departments to furnish an account of receipt and expenditure, according to the heads of the estimates, with the like facility as the books of the Pay-Office.” Mr. Abbot, the Third Commissioner of Accounts, has not made a Report on the Army Accounts. There are persons who have some acquaintance with them who say, that they are full as imperfect as the accounts of the other departments.

The Civil Departments of the Navy.

Treasurer of the Navy.—According to the evidence of Mr. Keith Douglas, before

the Committee of Finance, the office of Treasurer of the Navy is a nominal office, without any necessary duties to discharge, and without any fixed responsibility *. And Sir George Cockburn said, “ I have always thought that the Treasurer of the Navy ought to be an efficient officer in his post, instead of being, as now, one of the officers of state, holding the situation nominally, on account of the salary. It is a thing I have always thought wrong†.”

In consequence of this office being a sinecure, the business of it is done by a paymaster and three cashiers, who have powers to draw for money on the Bank of England. This mode of doing the business of making Navy payments, diminishes the security of the public ; and by creating so many accountants of imprest money, adds considerably to the difficulty of establishing a proper system of keeping the public ac-

* Evidence before the Committee of Finance, p. 98.

† Ib. p. 69.

counts. The remedy for these evils is that plan which has already been proposed with respect to the Army Pay-Office; namely, making all payments of public money the business of a distinct department.

Nothing can more conclusively shew the stubbornness with which public offices cling to antiquated and absurd practices, and how far they will go in shutting out modern improvements, than the circumstance of continuing to send money in waggons, under officers called conductors, and with military escorts, from the Navy Pay-Office to the sub-cashiers at the ports*.

The Navy Board.—According to the evidence given before the Committee of Finance, by Sir George Cockburn, Sir George Clarke, Mr. Douglas, and Mr. Barrow, it appears, that of late years the Admiralty have made various efforts to reduce the civil expenditure of the navy. It seems, however, that they were so much opposed,

* Evidence Com. Fin. p. 63.

as to be able to accomplish in this department only some trifling reductions ; but that, with respect to the Victualling Office, in consequence of the Commissioners having zealously co-operated with them, a very great reformation and saving of expense has been effected.

In the last session the old Navy Board was abolished, and a new one formed, according to the suggestion of the Committee of Finance, on the model of the Ordnance Board. As the evidence just referred to explains the practicability of making some considerable reductions in this department, this change should lead to a large saving of the public money. Some doubt may, however, be entertained of the reform of the constitution of the board being as effective as it ought to be, in consequence of the same individuals having seats in it, who have hitherto been backward in promoting measures of reform and retrenchment. Had the Committee of Finance been renewed, so as to have had it in their power to make a report on

the Navy, they could not have avoided to censure, in strong terms, the conduct of the Navy Board, in persevering to resist the superior authority of the Admiralty.

Dock-yards at Home.—The sum voted for the dock-yards at home, in 1828, was 150,682*l.* The evidence given before the Committee of Finance makes it quite clear, that a considerable reduction of expense might be secured by a change of system in this branch.

The following is an abstract of the evidence referred to:—

Mr. Douglas says, “ It has occurred very strongly to myself, and to other persons who have visited the yards, that the returns which are made from them daily, weekly, monthly, quarterly, and annually, are much more voluminous than are necessary for any practical use*.”

Sir George Cockburn says, “ In the present good state of our navy a still further

* p. 100.

reduction of workmen in our yards might be permitted*.”

Mr. Barrow says as to the dock-yards, “ With respect to superintending officers, perhaps we might be able to reduce some of the principal officers. The inferior officers may certainly be reduced considerably, mostly among those, I should say, below the situation of foremen of the yard; such, for instance, as the masters of trades. There is not a single trade, I believe, carried on in the dockyard, which has not a master. There is a master smith, bricklayer, sail-maker, rigger, rope-maker, painter, and others. They have each 250*l.* a year, and many of them have not above four or five men under their superintendence†.”

“ In Sheerness the master bricklayer is receiving 250*l.* a year for superintending five common bricklayers.”

Mr. Barrow, in further speaking of these masters, says, he prefers giving pay to giv-

* p. 15.

† p. 116.

ing salaries, on many accounts ; and adds, "It is one of the greatest evils of our dockyards, that the Commissioners of Naval Revision thought it necessary to bring forward so many working people, as the inferior officers all were, and to make them at once salaried officers ; the consequence of which is, that they have not only large salaries, but are all of them entitled to large superannuations." "Of this," he adds, "there is a striking instance in the estimates : a measurer, originally taken from the working shipwrights, where he had only about 60*l.* or 70*l.* a year as his day pay, the moment he became a measurer, had a salary of 180*l.* a year : he now stands upon the superannuated list with a retirement of 165*l.* a year ; and if his place is filled up, the public is paying 345*l.* a year for the labour of one measurer." Mr. Barrow, after repeating, "It is in the number of inferior officers that very considerable reductions can be expected to be made," says, "of the measurers I find we have seventy-four ; their employment is that of ascertaining the earn-

ings of the workmen; and they are attended by twenty-five clerks who calculate those earnings. The measurers merely give in a certain number of figures, which the clerks understand, and from them they calculate the earnings. The amount of the salaries of these measurers and clerks is about 17,000*l.* a year."

The excuse that is made for employing so many measurers and clerks is the quantity of detail of measurement, which is required in consequence of the Commissioners of Naval Revision having substituted a new plan of building by task work in place of the old one. Mr. Barrow says, "the Commissioners of Naval Revision altered the old plan greatly for the worse. The practice was, to divide a ship into a certain number of sections, which I believe was twenty-five; each of these sections had a price affixed to it, according to the size of the ship; to each section was a gang or more of shipwrights as might be necessary, according to their numbers, to complete the work of those separate sections." "In place of dividing

a ship in that manner into sections, we have upwards of 1000 separate articles, into which our measurers must go, and some of which, ridiculous as it may appear, are not valued at more than three farthings." Mr. Barrow stated the following comparison between the management of a private yard and one of our dock-yards. "I have an account of the establishment of a private builder; he has two hundred and fifty shipwrights. In Woolwich yard, which comes the nearest, we have two hundred and forty-eight shipwrights, eighteen clerks, six masters of trades, eight foremen, eight measurers, eleven cabin keepers; besides surgeon, boatswain, and warders, and other people.

"In the private yard, where I said there are two hundred and fifty shipwrights, there is one foreman, one measurer, two clerks, and ten labourers."

Mr. Barrow says, "If I wanted a ship built of 500 tons, a private builder would estimate the workmanship at 48s. per ton, though he might charge me more." On Mr. Barrow being asked "At how much

per ton is a ship of 500 tons in the King's yards built?" he answered, "A great deal more than that; for it takes in the whole expense of superintendence as well as labour. I must observe, that it is not quite fair to compare the two yards together, because we have all the trades working in our yards; the private proprietor goes to others. I mention this to shew the simplicity of one proceeding, and the complexity of the other. The *Acteon* sloop of war, 455 tons, is estimated to cost 5*l.* a ton in our yard; but then there is no doubt that our ships of war are much better built than those in private yards."

Mr. Barrow further states, that the building of thirty-two ships in Pembroke yard cost 25*l.* a ton, including workmanship and materials, and every expense of the establishment.

On the general subject of the great cost of our establishments for providing the superintendence of labour in the dockyards, Mr. Barrow gives the following evidence:—

"To give the Committee some idea of

the quantity of superintendence exercised by those officers, and of the quantity of work performed by the artificers, I have drawn out a few of the proportions from the last year's estimate. The whole establishment of the officers and clerks, and other salaried persons, at the dock-yards at home, amounts to about 155,000*l.*, and the amount of wages paid for work done by artificers, labourers, &c., was 502,000*l.* These sums will give the price paid for superintendence, &c., to that for labour, or unproductive to productive labour, as 1 to about 3 and $\frac{1}{4}$; that is to say, for every three pounds and a quarter paid to the men, there is one pound paid for superintendence and other expenses of the yard, which is certainly enormous. I do not mean to give this as a strictly accurate statement, but it will come pretty near to the truth. In Deptford dock-yard the proportion thus taken was as 1 to 1 and $\frac{8}{10}$; in Woolwich, as 1 to 2 and $\frac{3}{10}$; in Sheerness, as 1 to 1 and $\frac{3}{4}$; in Chatham, as 1 to 3 and $\frac{5}{10}$; in Portsmouth, as 1 to 3 and $\frac{7}{10}$; in Plymouth, 1 to 4 and

$\frac{2}{10}$; and Pembroke, 1 to 4 and $\frac{2}{10}$. It is fair to say, that in the amount of each establishment are included watchmen, warders, and those inferior persons whose salaries amount to a considerable sum, I believe to somewhat about 15,000*l.* a year in the whole ; but that will not make much difference in the proportions ; but, deducting the expense of the duties performed by the clerks and some other contingencies, the superintendence to the earnings will be generally about 1 to 6. I believe there is no private establishment, and certainly no public one, in any foreign country, in which the superintendence and the labour bear anything like that proportion. In one of the principal dock-yards of France, the superintendence bears a proportion to the labour of 1 to $22\frac{1}{2}$; but there I think it also right to observe, their mere labourers are all convicts, which will make a considerable difference ; they are superintended by a military guard, placed round the naval yard."

Navy Accounts.—According to Mr. Abbot's report on the Accounts of the Navy and Navy

Pay Offices, it appears that there is a want of a clear distinction between the duties of the account branches in the Navy Office and those of the Treasurer of the Navy; that the operations of one run perpetually into the other*; and that great labour is unnecessarily expended in filling up, on printed forms, cash orders to be attached to original bills and other documents as warrants for payments by the treasurer†.

The present system of Navy Accounts is described by Mr. Abbot as altogether disjointed, made up of many elaborate branches, but without a trunk to which to unite them. The abstracts, which are formed at the expense of much labour, do not carry with them any such criteria for the proving of their correctness as would satisfy any professional mercantile accountant.

Mr. Abbot shews, in the clearest and most satisfactory manner, that if the accounts of the Navy Office and Navy Pay Office were kept according to the Italian or common

* p. 4.

† p. 5.

mercantile method of book-keeping, great savings of expense in officers, clerks, and stationery would be the result.

In the Navy Pay Office, where the payments made by the treasurer now employ three cashiers, and about thirty clerks, three sub-cashiers and three subordinate clerks would be sufficient*.

When a claim is now made for a payment, after being examined in the branch of the department to which it belongs, it is sent to the office of bills and treasurers' accounts, and then to the board, where a bill is made out on the treasurer; he keeps this bill when presented to him, and gives in its place a check on the Bank. Mr. Abbot proposes to avoid this multifarious course of useless operations, by having the claim for a payment made by a bill drawn on the board by the person who makes the claim: by the board accepting it on the certificate of the first examiner's office, and then by the treasurer countersigning it, so that the

* p. 7.

bill shall be the order on the Bank for payment*. Mr. Abbot says, that in the Wages branch of the Navy Office, twelve books, which are now kept to check the treasurer's payments, might be discontinued. He proposes the consolidation of the wages branch with the ticket and allotment branches; and says that the advantages to be derived from it would be the simplification of the accounts, and the reduction of labour, by keeping one copy of many accounts instead of two †.

At present the payment of officers' and seamen's wages is made in the presence of four clerks, in order to have three clerks checking the accuracy of every sum paid by the fourth. As these clerks are selected from different branches, and as each keeps a book, so many books are kept in triplicate, that no less than 1580 supernumerary books are annually kept ‡.

Mr. Abbot proposes that the officers' and seamen's wages should be paid by the

* p. 7.

† p. 9.

‡ lb.

pursers ; and says, if this plan was adopted, more than one-third of sixty-one books in the wages office, and a yet larger proportion of about ninety books in the ticket office would no longer be required *.

Mr. Abbot recommends that the office for foreign and home accounts should take charge of the promiscuous and imprest registers, now kept in the office for bills and treasurers' accounts ; that the contract and store departments should be consolidated ; and that the business of condensing accounts relating to cash payments, now done in the office of bills and treasurers' accounts, should be conducted in an accountant's department. He says that the bulky and unsatisfactory abstracts now prepared in this department, would be superseded by the more accurate and comprehensive balance-sheet to be obtained from the ledger and journal, when properly kept in the accountant's office †.

Mr. Abbot observes generally on the present system of navy accounts, that there is

* p. 16.

† p. 11.

a great variation of record, without a distinction of purpose; that the whole of the business of the accountants' department is so entirely devoid of system, that no sound repairs can be made of it; and he adds, the annual payments are at present so limited in number and amount, that there would be no difficulty in uniting them all into one cash book, and transferring every item in detail to the journal, preparatory to forming the ledger.

Messrs. Brooksbank and Beltz, in their joint report on the public accounts, agree in several of the statements made by Mr. Abbot upon the navy accounts. They say, "Upon our examination of the accounts of the Navy Office, it appeared to us that they had been modelled more for the purpose of checking the accounts of the treasurer of the navy, than for affording any explanatory detail of the naval expenditure* ; that the expenditure is scattered and distributed in different books, and the process of preparing

* p. 18.

any detailed account from them has been done by means of a large and broad sheet of paper, divided into partitions and squares, in which the sums are entered from the registers, according to the items of expenditure required. This is the substitute for a regular ledger ; and the great defect of the old system of account is the want of a good general cash book and a proper ledger.*”

Paymaster of Marines.—The duties which are performed by this officer have such a close connexion with those of the Navy Office, that it would appear to be advisable to abolish their separate character. As to the reasons that are given to the contrary, they are so plainly nothing more than ingenious pretexts for maintaining a lucrative office, that it would be a waste of time to notice them.

New duties have been given to this office, such as the clothing of the marines, and other expedients have been resorted to for the purpose of giving importance to it.

Mr. Abbot says, on this office, the accounts

* p. 19.

partake of the fault common to all the government offices, in having a great variety of books, an evil arising from the want of a well-arranged plan of account. Each description of expenditure has its distinct set of books, making thirty-three in all; but in a department of such limited extent, this cannot be necessary. Books are also made up for each separate branch of expenditure at a great expense in clerks, all of which would be superseded by as many separate heads of accounts in a general ledger*. Besides the books just mentioned, a great number of unnecessary books are kept of the accounts of the sub-accountants†

The Victualling Office.—It has already been stated, that of late a great reform has been made in the Victualling Office. What is still wanting is to remodel the board on the plan of the Ordnance Board, with a smaller number of commissioners.

In this department, as well as in that of the Navy Board, it is the practice to manu-

* p. 83.

† p. 86.

facture a variety of articles instead of providing them by contract*. This practice is attempted to be defended on the ground that those articles are provided in this way cheaper and better than they could be provided by contract ; but such a defence rests upon what is morally impossible. This defence cannot be supported, because private manufacturers can buy materials cheaper, and take better care of them ; and they can get labour cheaper, make it go further, and superintend it better, and at a less expense than any public office. The success of a public office in manufacturing depends on what it is impossible it can accomplish, namely, to find numbers of officers willing to work with the same zeal and integrity for the public as they would work for themselves.

It is obvious that the slightest deficiency

* The following articles are manufactured by the Navy Board, viz. lead, paint, canvass, chain cables, blocks, copper, and iron, rolled, and several others. The following are manufactured by the Victualling Board, viz. bread, beer, and flour ; and cattle are bought and salted.

in skill, activity, and integrity, on the part of the public officers, in performing the various operations, from their going to market to buy a stock of raw materials, to the storing of the goods made with them, will be taken advantage of by numbers of persons in numberless ways. Materials will be bought in too dear ; they will be wasted in working them up ; they will be liable to be stolen or damaged ; and the finished articles will be more exposed to be wasted and stolen than when purchased by contract, from the difficulty of keeping equally exact account of the quantities received and delivered.

Although the Victualling and other offices, that carry on manufactures, produce accounts by way of shewing that they make them cheaper than they can be got by contract, this does nothing towards supporting their case, because their accounts are all kept in so imperfect a manner, that they cannot be relied on.

With respect to contracts, it may be confidently maintained, that every thing, by

proper management, may be got, through them, of the best possible quality, and at the lowest possible price. The contract prices of the best articles, under a system of free competition, cannot exceed, on an average, what is just sufficient to pay, first, the cost of materials, when purchased at their lowest price ; secondly, the labour of working them up, managed with the greatest skill and economy ; thirdly, the ordinary rate of profit on capital employed in trade. To suppose that contractors can, by any means, force public offices to pay prices beyond what can be justified by these three component parts of the prices of commodities, is to shew a great want of acquaintance with the principles which govern prices—a fault, however, very common with many official men ; who still, however, have great weight with higher authorities, as possessing superior means of forming correct opinions on these matters. The fact, therefore, of contract prices being always kept by competition as low as the combination of manufacturing skill, perfect economy, and a very

low ordinary rate of profit can keep them, it is utterly impossible that public offices can themselves manufacture any article at as low a price as it can be got for by a contract. With respect to the quality of contract goods, this may be secured without the slightest risk of fraud or disappointment, by having proper specifications and deeds of contract, and by enforcing a strict inspection. The Committee of Finance say on this subject in their Second Report:

“ The Committee are not disposed to place implicit reliance on the arguments which have been urged by some public departments against contracts by competition, and in favour of the superintendence and execution of work by themselves. The latter plan occasions the employment of a great many officers, clerks, artificers, and workmen, and not only adds to the patronage, but to the appearance of the importance of a department. Nor can the Committee suffer themselves to feel any prejudice against the contract system, by references to some instances of failure. They believe

that most cases of failure may be attributed to negligence or ignorance in the management of contracts, rather than to the system itself*.

In the calculations of the prices of the articles that are manufactured by the public departments, the charge for residences, superannuation allowances, and other items, to the advantage of master millers, brewers, bakers, butchers, and a great many other officers, are never taken into account. If they were, and they certainly ought to be, the case would be so clearly against all office manufactures, as to justify the most decided prohibition of them.

In the evidence given by Sir Henry Torrens and Mr. Serjeant, before the Committee of Finance, it appears, that the Commissariat Department do not find the least difficulty in providing bread, and other articles of food, of the best quality, and on reasonable and proper prices, by contract; so that there is not the slightest reason for

* Second Report, p. 23.

the Victualling Office continuing to be manufacturers of flour, bread, &c. ; and it is equally clear, that the great sums of money which have been expended of late in building flour-mills have been completely thrown away*.

Accounts of the Victualling Office.—With respect to the method of keeping the accounts of the Victualling Office, Mr. Abbot says, “ Considerable attention has been paid by the heads of the department to the plan now in operation ; and it has been purified by much labour from a far more objectionable state : still so differently is it constructed from any systematic plan of account, that, at first sight, it is unintelligible, even to one intimate with accounts ; and no man, not officially educated in the existing plan, would know how to set about the detection

* Evidence of Sir H. Torrens, p. 205.—Q. The bread and meat are supplied by contract?—A. Yes. Q. Is it found by experience that good provisions are obtained in that way?—A. They are so watched, that, generally speaking, very good provisions are received ; and it is quite impossible, that any attempt to give inferior provisions can be persevered in.

in it of an error or fraud*.” After describing the great number of books that are kept, he says, “I feel quite confident that the introduction of a connected and well-arranged plan of account would, in the end, tend greatly to diminish the quantum of labour (consequently of expense) required for all purposes of account †.”

Civil Departments of the Ordnance.—The Committee of Finance, in their Second Report, make the following remarks on some of the civil services of the Ordnance :—They say, “that, notwithstanding so much has been done in diminishing the expense of the Ordnance establishment below what it has been of late, it still is a much greater charge on the public than it was some years ago, and that government ought to institute an inquiry to ascertain whether it might not be further reduced‡.” They recommend, that the office of Lieutenant-general of the Ordnance should be abolished. They say, that if the duties of the board and of master-

* p. 93.

† p. 99.

‡ p. 18.

general could be brought more together, the charge for clerks in the office of the master-general might be considerably reduced*. They recommend, that the whole establishment of the Tower should be removed to Pall Mall, except the part of it which is concerned with the stores†. They strongly condemn the practice of providing residences for public officers‡. They recommend, that the medical department of the Ordnance should be united with that of the Army ; and that the medical stores for the Army and Ordnance should be bought by contract, as is the case in the Navy§ ; and they express a very decided opinion in favour of constructing all buildings by one contract for a whole work, instead of by several contracts for the several parts of it||.

The following articles are manufactured by the Ordnance, viz., charcoal, gunpowder, gun-carriages, gun-sights, and swords. The reasoning which has been applied to the manufactures of the Navy and Victualling-

* p. 13.

† p. 20.

‡ p. 23.

§ p. 24.

|| p. 25.

offices is equally applicable to these manufactures of the Ordnance, and need not be repeated—particularly that part of it which refers to the defective method of keeping accounts of the articles manufactured, and to these accounts being of no use as evidence of cheapness.

Royal Woolwich Academy.—In 1828 the sum of 4,046*l.* was voted for the Royal Woolwich Academy. The clerk of the Ordnance, in giving his evidence before the Committee of Finance, defended this institution by shewing how good an education the cadets received at it. But the utility of it, however great, is not a sufficient justification for continuing it ; the necessity of it should be established by proving that good artillery and engineer officers could not be had without it. But this cannot be done, because what is taught at the Academy is quite elementary, and what can be learned just as well at private military schools. If instruction were made to begin at the Academy, just where it stops at present, that is, when the cadets are seventeen or eighteen

years old, then there might be some reason for keeping it up ; because the instruction afforded to officers might be of such a description in the higher branches of military knowledge as could not be attained elsewhere*. The whole of that elementary knowledge, which a cadet now acquires at Woolwich at the public expense, might be completely secured by a proper examination of each individual, wishing to be an artillery officer, prior to his being appointed to a commission.

Ordnance Accounts.—Mr. Abbot begins his report on the Ordnance Accounts with the following paragraph :—“ It appears, from the acknowledgment of all parties in this department, that the accounts were, some years back, truly complex and unsatisfactory. They have since been pruned with an unsparing hand, prompted no doubt by an anxious desire to simplify ; but, like most attempts to repair an ancient establishment, these efforts have tended more to disjoint the fa-

* See Evidence of Sir H. Hardinge on the Senior branch of the Academy of Sandhurst.

bric than connect and strengthen it. The projectors of the alterations in the accounts, to which alone this observation applies, (for a man must be more than blind who does not admire the beneficial arrangements introduced by his Grace the Duke of Wellington and Sir Henry Hardinge,) do not appear to have been *men of account*; they seem, so to speak, to have been altogether unconscious of the following *established principles* in book-keeping :

“ 1st. To record nothing but facts.

“ 2dly. To record them in the manner they occur.

“ 3rdly. To record them under the precise date of occurrence.

“ Indeed the very names given to the different books prove a total absence of all acquaintance with book-keeping. The terms ledger, journal, cash-book, are not applied to books of any similarity to those which accountants have so designated. In all their alterations the projectors have lost sight of that continued connexion between one book and another, until the whole centre in one

condensing book ; an arrangement so essential in every good system, it being the very end and object of accounts*.”

Mr. Abbot proceeds to say the Store branches will admit of considerable simplification, at the same time that they require a fundamental improvement, by the introduction of the value of stores, in addition to the present records, which are confined to quality and quantity†. He says the business transacted between the offices of the Clerk of the Ordnance and the Surveyor-General is circuitous and dilatory, and consequently expensive ; that there is unnecessary labour in making the Clerk of the Ordnance dependant on the Surveyor-General ; that the Clerk of the Ordnance, who is the accountant of the department, is never able to shew its liabilities or engagements, from the control of the accounts for purchases not being under his authority‡ ; and that the Surveyor-General keeps fifty-seven books, of which the greater part could be dispensed with, if the examination of accounts was

* p. 117.

† *ibid.*

‡ p. 118.

attached to the office of the Clerk of the Ordnance *.

It appears from Mr. Abbot's report, that the Treasurer of the Ordnance has a power over the public money, which ought not to be vested in any public officer. If, for instance, he wishes to have the use of money for a few days, he may draw a check for any sum he pleases. He may draw the amount of debentures in his hands, for which the payees have not demanded payment, without the Clerk of the Ordnance being cognizant of the fact ; and as the Treasurer gets credit in the books of the Clerk of the Ordnance for the total amount of a quarter-book the instant it is sent forward to him, and as the demands for payments often leave a large balance in his hands, he can use this balance as he pleases †.

Mr. Abbot shews in what manner all personal power over the public money might be taken from the Treasurer, and that if he kept

* p. 120.

† p. 124.

proper books, two would serve the purpose of twenty-five now kept*.

Mr. Abbot states that the books of the Ordnance Department, kept by the Clerk of the Ordnance, are not founded on the Treasurer's half monthly statements, which are the only current Cash Account of the Ordnance; but in the imprest and cash journals, which are fallacious as to dates, and liable to great variations from fact†.

In the Barrack Branch of the Ordnance Department, an originally perfect system of accounts has been changed into an imperfect one; which proves, Mr. Abbot says, that "*men of account*" are not frequently to be found in the government offices‡. Yet still enough of the good system is left to make the accounts superior to those of the Ordnance. "There is the power and habit of balancing the books annually to prove their correctness."—"The books themselves are, generally speaking, connected with each other,

* p. 132.

† p. 125.

‡ *ibid.*

and not disjointed masses of accounts like those of the Ordnance*.”

Messrs. Brooksbank and Beltz, in their report on the Ordnance Accounts, find little or no fault with them. They notice the changes made by the First Lord of the Treasury when he was Master General, but do not follow Mr. Abbot's example in explaining their imperfections.

Public Accounts.—Although the defects in the methods by which some of the public accounts are kept have been mentioned, it is of so much importance, that a proper system of accounts should be generally established, not only for the security of the public money, but as a means of making a great retrenchment in official establishments, that it may be of some use to examine this question somewhat more at length.

With reference to the system in general, the reports of Messrs. Brooksbank and Beltz calls it vicious, complicated, and expensive; without fixed rules clearly defined, and not

* p. 128.

generally applicable ; a system framed in accommodation to the transactions of times remote from the present, and under circumstances, which have since undergone considerable alteration*. Mr. Abbot says, every government office has its peculiar system ; and that if he were employed professionally to test the accuracy of any of the accounts, he would put aside every book in use, and, taking up the original documents, throw them into a totally new shape†. He adds, “ As to the construction of a balance sheet, for the purpose of proving the correctness of the books, nothing of the kind has been attempted ; neither could the most diligent exertions accomplish that desirable object while the general system remains as at present ‡.”

It further appears from these reports, that there is no uniformity in the constitution and organization of the great departments that conduct the public expenditure, nor any uniformity of classification of business by the

* p. 88.

† p. 73.

‡ p. 73.

several branches of the departments. The Crown, even in exercising its prerogative to direct the issues of money by the Exchequer to the departments, does so in a variety of ways, sometimes by privy seal, sometimes by warrants ; and these have effect, some for the issuing of the whole sum voted by Parliament ; some for a part of it, some for the period of a year, and some for a whole reign.

For want of a proper system of accounts, a great redundancy of unnecessary books are kept ; forms and checks are so multiplied as to occasion an infinity of useless copying, repetition, perplexity, and confusion ; business which ought to be done in one branch of a department is divided among several ; so that the result of the whole system is the utter failure of accomplishing what the public accounts ought to do, namely, the affording of security against the negligence or dishonesty of accountants ; and secondly, the means of giving, with facility and promptness, information upon the several parts of the receipt and expenditure of the public money.

In selecting the principle on which a reform of the present system of accounts should be grounded, it is necessary to take a much more extended view of the subject than the Commissioners, whose reports have been referred to, were empowered to take: for unless the constitution and organization of the great departments, and the classification of business in the several branches of them, are, in the first instance, revised and new modelled, pursuant to some uniform and simple plan, no attempt can succeed that may be made to establish an uniform, accurate, and perspicuous system of accounts.

In observing upon the office of the Treasurer of the Ordnance, the Committee of Finance say, they are induced to think the public has not that complete security against possible loss which it ought to have; and that they postpone recommending any alteration until they can have an opportunity of proposing some system for regulating the payment of money in other departments—alluding to a similar want of complete security in the Offices of Treasurer of the

Navy, Paymaster of the Forces, and several other pay offices which had come under their notice.

It appears, from a statement laid before the Committee of Finance*, that besides the pay offices just mentioned, there are a number of individuals who receive money from the Exchequer, and have the power of drawing money out of the Bank of England by their own drafts. The evidence given by Mr. Serjeant before the Committee, shews, that besides being a paymaster to a very large amount, as Agent of Commissariat supplies, he is also Paymaster for the Civil Contingencies, for the repairs of Windsor Castle, for emigration to Canada, and for the Ecclesiastical Establishment in the West Indies, although nominally an Officer of the Treasury. The several sums of money which he receives for these services are placed to his account at the Bank of England, as Agent of Commissariat Supplies. In 1827, the sum which was at the

* Paper, No. 252.

disposal of Mr. Serjeant, amounted to 2,000,000*l.*: he has sometimes a balance of 250,000*l.* at the Bank. He can draw, by his own draft, for any sum he pleases; his clerk has the same power, and they do not give security*.

It appears, from the evidence of Mr. Shearman, that he and three other officers of the Treasury are Paymasters of the public money to a considerable amount; that they keep the money they receive from the Exchequer at their private bankers, and that they do not give security.

These statements make it evident, that some great change is necessary in the whole system of paymasters of public money, as a preparatory measure for settling a proper system of public accounts. But to make such a change effectual, it should not be confined to reforming the defects in each office, but should be founded on a general principle of uniformity and security, to be applied to all kinds of payments of public money.

* Evidence Com. Fin., April 21, 1828.

As there is nothing in the mere act of paying money that has become due for the performance of a public service, connected with the circumstances of the service for which payment is to be made, there can be no reason why the business of paying money should not be taken away from the departments, and individual paymasters, and be placed under a small board of commissioners.

If such a board were appointed, in every case where a payment was to be made, the board of the department to which it belonged should send an order to the Board of Payments, as they now do to their paymaster or treasurer. The order should contain the particulars of the account for which the money was to be paid ; and before payment was made, these particulars should be examined by the Board of Payments, so as to have an audit take place before payment. The Board of Payments, after being satisfied as to the correctness of the order, should give a draft for the amount on the Bank of England, and then enter the payment in re-

gular account-books, of which a separate set should be kept for each general head of service.

If this plan were adopted, 1st, the public would have the security of the signatures of the commissioners to each check on the bank. 2dly. There would be a continual auditing of accounts going on before payment of money. 3rdly. The business of keeping the public accounts belonging to the payment of money would be relieved from difficulty and complexity by being placed under one controlling authority.

What is now proposed with respect to separating the business of making payments, from that of superintending the expenditure and incurring the expenses for which payment is to be made, has the sanction of the established and successful practice of the French government. The French laws on the public accounts display great attention and science in obtaining the object of establishing a simple, uniform, and accurate plan ; and the result proves the wisdom of the measures which have been adopted.

By the law of the 1st Pluviôse, an viii. three Chests (*caisses*) are established in the Treasury—the third of which is to receive daily, from the general chest, the necessary funds for the expenses of the public departments. Four paymasters-general are appointed, as officers of the treasury, for receiving the claims of the parties entitled to payments: one of them for the army, another for the navy, another for the public debt, and another for the remaining public services. The duties of these paymasters are to examine each item of expense, as set forth in the orders produced by the claimants, which they have received from the departments; and, after being satisfied of their being in conformity with the powers vested in the departments, to give the claimants orders for payment on the paymaster of daily payments*.

* This plan of making the business of paying money a distinct one from that of superintending the expenditure, was proposed in the 31st of the Resolutions on Finance, moved by the Author in the House of Commons in 1819.

After the revision and new-modelling of the constitution and organization of the several departments has been carried into execution, it will not be difficult to determine what plan of accounts ought to be established. Everything which Mr. Abbot has said in favour of the Italian system will be greatly fortified by such a reform, and by having a Board of Payments ; at the same time, that it will remove some of the grounds of objection made by Messrs. Brooksbank and Beltz to the Italian system of accounts.

Mr. Abbot's proposal to establish the Italian system, in its purest form, in all the public offices, deserves to have great weight with Government and Parliament. As a professional mercantile accountant, he holds the highest rank ; and he has acquired a full knowledge of official accounts by making the most of the powers vested in him for ascertaining the nature, description, and purpose of the several books used in each office. He has stated in a memorandum, submitted by him to the Treasury,

of the 28th of February, 1829, that for every hour passed by Messrs. Brooksbank and Beltz in the offices examining the books of accounts, he had passed twenty ; and this statement was not contradicted in the observations of these gentlemen on this memorandum. To those persons who are practically acquainted with the Italian system of accounts, the reasoning on which Mr. Abbot founds his opinion of its being applicable to all official accounts cannot fail to be completely satisfactory. The contrary opinion of Messrs. Brooksbank and Beltz, however respectable it is, is connected with circumstances which justify some suspicion of its soundness. In the first place, they evidently have had to form a plan of accounts for a most defective official system of transacting business ; and having always before their eyes this defective system, they have formed a notion of an official system of accounts as contradistinguished from the mercantile system. This is a fundamental error that pervades all their views and all their plans ; for if the official system

of doing business were new modelled, and all the payments of money vested in a distinct department, there could be no such thing as an official system of accounts differing, in any respect, from the common mercantile system.

Messrs. Brooksbank and Beltz cannot be blamed for not having proposed the new modelling of offices as a necessary element of a proper system of accounts. Their commission did not require them to do so ; and no one could expect that, filling, as they do, situations in the Treasury, they would take upon themselves to propose to abolish sinecure treasurerships, and to make such official changes, as would lead to turning a great number of clerks out of employment.

There are no grounds for the objection of Messrs. Brooksbank and Beltz to that part of the Italian system which requires the entries in the waste and cash books, to be transcribed into a journal, and afterwards into a ledger, wherein nothing more is shewn than the titles to the accounts and references

to details in the journal*. The sole object of a perfect plan of accounts is security that those, who are entrusted with money, shall not be able to misapply it without a facility of detection. This is what the Italian system of entries in a journal does in so complete a manner, that it is adopted universally in all commercial countries in private accounts. But Messrs. Brooksbank and Beltz seek to do more than this ; they want, not only to provide this security, but, by one and the same operation, to obtain the means of making out returns to orders of Parliament for special accounts, merely by taking copies of the ledger. They say, “ a public office, which is continually called upon for information upon a variety of subjects, should possess the readiest possible means of furnishing that information ; and to this end, the ledger should be made to contain a condensed, but more circumstantial detailed account of proceedings than is usually effected under the mercantile sys-

* p. 89.

tem*,” and they, therefore, propose to dispense with keeping a journal. But a ledger so formed from the cash book, without a journal, would bear no substantial similitude to a mercantile ledger, because the whole principle of utility and security belonging to the mercantile, or Italian system, consists in the manner in which the journal is kept; so that Messrs. Brooksbank and Beltz propose a plan which sacrifices the security of the pure Italian system to the minor object of saving the trouble of referring to a regularly kept journal in making out accounts for Parliament.

Messrs. Brooksbank and Beltz imagine they have obtained a triumph over Mr. Abbot, and a full exposure of his plan, in the circumstance of the deputy treasurer of Greenwich Hospital having determined, after Mr. Abbot had introduced his plan of accounts into this establishment, to keep a separate ledger for his own information and guidance; but Messrs. Brooksbank and

* p. 8.

Beltz omit to shew that the deputy treasurer possesses such a knowledge of accounts as to make him of any authority, or that he is free from prejudice in favour of old official and imperfect practices—without such being the case, their reference to his practice is good for nothing;—on the contrary, the inference that will be drawn from this act of the deputy treasurer is, either that he does not understand accounts, or that he is prejudiced in favour of old habits.

The opinion of Messrs. Brooksbank and Beltz, that the official system of doing business requires an official system of accounts, different from the Italian system of double entry, is proved to be altogether untenable by the practice in France. In that country the Italian system is acted upon, in all the public departments, in its purest form, and all persons who have money dealings with the Government are ready to attest the great advantages of it.

By the law of 1822, title 4, section 18, the different departments are required to keep their accounts on one uniform principle,

and to adopt the same regulations and forms ; and for this purpose it is ordered that each department shall keep a general journal, and a ledger, in which books they are to record immediately, and according to their date, all operations with respect to credits, orders for payment, and payments. These operations they are further to record in auxiliary books, to be determined upon by the number and forms of the different public services*. The journals are kept in every respect in strict conformity with the rules of the Italian system, and with the regulations of the commercial code.

In consequence of the defective system of the accounts kept in our offices, it has been

* “ Titre IV. Des Comptes.—Nos ministres établiront leur comptabilité respective d’après les mêmes principes, les mêmes procédés, et les mêmes formes.

“ A cet effet, il sera tenu dans chaque ministère un *journal général* et un *grand livre* en parties doubles, dans lesquels seront consignées sommairement et à leur date toutes les opérations concernant la fixation des crédits, la liquidation des dépenses, l’ordonnance et le paiement.

“ Ces mêmes opérations seront décrites en outre et avec détail sur des livres auxiliaires, dont le nombre et la forme seront déterminés suivant la nature des services.”

impossible to lay proper accounts before Parliament of the annual revenue and expenditure, and equally impossible to establish a prompt and efficient system of auditing the public accounts.

CHAPTER XII.

CIVIL GOVERNMENT.

THE next head of expenditure to be examined, with the view of ascertaining what retrenchment may be made, is that incurred on the offices for conducting the Civil Government of the country. They are as follows :—The King ; the Three Secretaries of State ; the Privy Council Office ; the Lord Lieutenant of Ireland ; the Civil Government of Scotland ; the Mint, and the Judicial Establishments. The annual expense of maintaining them may be estimated at about 2,000,000*l.**, of which by far the greatest portion consists of salaries.

* The imperfect mode of stating the accounts of the public expenditure that are laid annually before the House of Commons, makes it impossible to give an accurate ac-

The progressive increase of expenditure has been, in some of these offices, as follows :—

Secretary of State for the Home Department	1829	£31,916
	1796	14,423
Increase	-	<u>£17,493</u>
Secretary of State for the Foreign Department	1829	£65,681
	1796	34,495
Increase	-	<u>£30,186</u>
Secretary of State for the Colonies	1829	£39,624
	1796	9,111
Increase	-	<u>£30,513*</u>

The Committee of Finance, in their second report, point out, as one of the prin-

count of the expense incurred under these heads. The following, however, will not be far from being correct.

	£.
The Civil List	1,057,000
Three Secretaries of State	137,000
Privy Council Office	9,600
Ditto for Trade	11,400
The Lord Lieutenant, Chief Secretary, &c. of	
Ireland	100,000
Civil Government of Scotland	132,000
The Judicial Establishment of England	150,000
Ditto ditto of Scotland	187,000
Ditto ditto of Ireland	147,000
	<u>£1,931,000</u>

* Papers, Com. Fin., Nos. 103, 104, and 105.

principal objects of economical reform, the revision of every office, for the purpose of introducing a principle of simplification and consolidation for transacting public business; and there can be no doubt that, if this principle was effectually and universally adopted, the business of the public might be performed by a much smaller number of officers and clerks, and consequently at a less expense.

The increased charge on account of the Civil List is much greater than the difference between what it was in 1761 and what it is above stated to be in 1829; because, in 1804, old charges on it, to the amount of 84,000*l.* a year, were transferred to other funds; and in 1816 further charges, to the amount of 255,000*l.*, were transferred.

As one of the chief grounds on which ministers proposed to Parliament the advances which have been made in the amount of the Civil List, was the depreciation of money, now that this depreciation no longer exists, there is some reason for re-considering the settlement of 1820.

The Catholic Question having been settled, there is not the least excuse for keeping up the office of Lord Lieutenant of Ireland. What has been said of other viceroys is fully applicable to the office in Ireland. "It seldom happens that viceroys can exercise their charge with advantage to the country over which they are temporary sovereigns. The instability of their power, and, too frequently, the desire to improve their own fortune, tend to withdraw them from any attention to their duties, beyond what is necessary to keep all quiet. All measures tending materially to ameliorations must be necessarily slow; the unpopularity which attaches to all wholesome innovations falls on the viceroy who introduces them; while the merit which follows from them is given to his successors. On the whole, it is generally fortunate when a viceroy is contented to be merely passive in his office, and is negatively a clog on the improvement of the state. The situation being frequently given to some nobleman embarrassed with debts, or overwhelmed with a large family

or numerous dependants, it has often happened that he has considered the country over which he is the ruler, less as a country to be fostered and rendered happy, than as a mine from which to extract for himself and his followers, within the shortest possible space of time, the greatest possible quantity of wealth*.”

As a great part of the sums granted for Irish miscellaneous services relate to matters of civil government, this is the proper place to say, that if government carry into execution the recommendations of the Committee of the House of Commons with respect to them, a considerable saving of expense will be the consequence.

There are several items which will admit of still greater reductions than the Committee have proposed ; so that if all was done that might be done, at least 150,000*l.* a year might be saved.

Salaries and Superannuations.—Having noticed, in a general way, nearly all the civil

* For. Quart. Rev., vol. iv. p. 358.

official establishments, it is now time to say something concerning the rates of salaries in them. The Committee of Finance, in their Second Report, point out the general principles on which they ought to be regulated. They say the proper question with respect to them is, what course will best secure a perfectly efficient performance of the services of the public at the smallest expense? —They lay it down that the principle of competition is as applicable to the remuneration given to clerks in the public offices for their time and trouble, as it is to the price paid for the time and trouble of other persons who live by the wages of labour; and they add, that, as it is by this principle the salaries of clerks in commercial establishments are determined, the salaries of clerks in the public offices should be regulated by the salaries given to the former; and that every exception in favour of a higher rate should be grounded on a clear case being made out, in every instance, of more talent and trust being required.

The present rates of official salaries are

stated by the Committee to rank higher than those in commercial houses. Some of the witnesses examined by the Committee seem, according to their evidence, to have attempted to justify this, by assuming that in every public situation more talent and trustworthiness are required than in mercantile situations ; but this is not so, as by far the greatest part of the office clerks have nothing but common clerks' work to do. It is perfectly well known that, in those offices where the salaries are the lowest, namely, in the Commissariat, and the office of the Paymaster of the Marines, the work is best done. The clerks in the Commissariat are real clerks, not the sons of persons of the higher ranks, but of an humble description ; they are perfectly satisfied with what they receive, and do their work remarkably well. The Paymaster of Marines says, in his evidence, that the salaries in his office are lower than in any other ; that he can place full confidence in his clerks, and has to place a great deal in them.

The more the question of salaries is examined, the more fully it can be shewn that high salaries are not only the source of a great burden on the public, but also that they actually contribute to make the clerks less efficient, and, consequently, to the employing of a greater number of them. There cannot be a greater mistake than the notion generally entertained, that fitness will follow in proportion as the amount of the salary is high. Those persons who are willing to work for a small remuneration always have the greatest relish for work ; and therefore, giving low salaries will secure the filling of the offices with the most efficient clerks. On the other hand, when a clerk has a high salary, the less will be his activity, and he will be wholly adverse to anything like the drudgery of office. He will possess a greater facility for enjoying pleasurable and other trivial occupations. He will have a greater facility of obtaining accomplices in his transgressions, and in finding supporters to shield him against

being displaced, and against having his conduct thought disreputable.

The present rates of salaries of officers and clerks place them in a much better situation than the remuneration given to that part of the clergy, who perform the laborious part of the church duties, and to officers of high rank in the army and navy.

As the great pretext for raising all salaries to their present rates was the depreciation of money, now that the value of it is restored, the public have a right to require a reduction to be generally made on a large scale.

As it appears from a Paper laid before the House of Commons, that the sum paid for salaries in 1827 amounted to 2,788,907*l.**, such a rate of reduction would produce a considerable saving.

The Committee of Finance, in their Third Report, have pointed out the practicability

* Par. Paper, Sess. 1828, No. 552.

of making a considerable retrenchment by means of a reform in the existing system of superannuation allowances. Since 1810, when the present law was passed, the charge for civil superannuations has increased from 94,550*l.* to 480,081*l.** The Committee say this increase is enormous, and represent it as an evil that calls loudly for a remedy. They state that several abuses have arisen under the law as it now is, particularly from the disposition of the superior authorities to favour the retirement of efficient clerks ; they say they have been informed, that the cases are not few, in which persons superannuated as unfit for public service, have enjoyed health and strength long afterwards, and have discharged active duties in other public offices, and in private business ; and they recommend that there should be a percentage reduction of all salaries, to form a fund for paying the superannuation allowances.

Nothing can be more extravagant, and

* Third Report Com. Fin., Appendix, No. 13.

inconsistent with a proper guardianship of the public money, than the system of salaries and superannuations now in operation. The salaries are so much higher than they ought to be, that every officer and clerk has more than means of making a provision for infirmity and old age. But notwithstanding this fact, as to the sufficiency of salary, in the true spirit of profusion, a great superannuation allowance has been added. If the Committee of Finance had decided in favour of what was most proper to be done in the case, they would have recommended the abolition of all such allowances on future appointment to office : for, although it might be difficult for Government to resist the claims of hardship and real sufferings, which would, in that event, be made upon them, it may be considered as quite certain that in their hands, the sums which would be granted would never amount to what is now paid under the compulsory plan of giving to every officer a regulated allowance. It is quite impossible to explain why we are to have a privileged class in society, who, be-

cause they have once touched public money, are to be supported all their lives at the public expense ; why they are to be put into a more fortunate case than clerks in mercantile and banking houses, and than many of our clergy, and of our military and naval officers.

CHAPTER XIII.

MILITARY EXPENDITURE.

THE next head of expenditure, namely, the military part of the service of the Army and Navy, affords the means of retrenchment on a large scale, in consequence of its great amount.

In the report of Messrs. Brooksbank and Beltz, on the public accounts, the estimates of the Army, Navy, and Ordnance for 1828 are stated in a manner to shew what part of them was for effective, and what for non-effective expenditure. The following account has been made up from their statements.

	<i>Effective Expenditure.</i>	<i>Non-Effective Expenditure.</i>
Army, - -	£ 5,067,793	£ 2,982,146
Navy, - -	4,576,730	1,557,132
Ordnance, -	1,419,975	365,221
	<hr/>	<hr/>
	£ 11,064,498	£ 4,904,499
	<hr/>	<hr/>

In addition to these 11 millions of effective expenditure, one more should be set down for army extraordinaries, militia, and other military and naval expenses not included in the estimates ; and, as this has been about the average annual expenditure since 1816, no less than 156 millions have been expended on soldiers, sailors, ships, and artillery, exclusive of the non-effective expenditure, although we have been all the time in a state of profound peace.

The only ground on which it is attempted to justify this expenditure, so enormously great in comparison with that of any former peace establishment, is the expediency of being at all times prepared for war. But, during the last thirteen years, there has been less likelihood of war than at any former period, in consequence of the exhausted condition of all the powers of Europe, after the last war, and of the triumphant display of military and naval force which England was able to make at the conclusion of it. If, in 1816, a peace expenditure had been arranged on a prin-

ciple of sound economy, having reference only to the real wants of the nation, a very large portion of the 156 millions would have been saved.

As the war in Turkey is now terminated, and the affairs of Greece may be said to be settled, the public have good reason to expect that a great reduction in the military and naval expenditure will immediately take place. Although it is right to be prepared for war, it should be borne in mind that several of the most popular and substantial grounds of war have ceased to exist. The barren nature of military trophies, and the substantial advantages of peace, have been fully exhibited in the last forty years. The laws most offensive to foreign trade have been expunged from our statute books; every country now sees the wisdom of seeking commercial prosperity in concurrence with that of its neighbours; the discovery of the real sources of wealth has shewn the folly of wasting lives and treasure about colonial possessions; and nothing is now more universally acknowledged than the fal-

lacy of expecting any national advantage from war.

The Committee of Finance, in their Second Report, state it to have been one of the principal objects of their attention to secure "a strict adjustment of the numbers of the military and naval forces, so as not to exceed what is really necessary for the peace and security of the empire*." They say, "this principle ought not, on any account, to be given up to speculative apprehensions;" that, "as the army and navy are the great sources of expense, it is only by keeping them within proper limits that any great saving can be effected;" and they add, "it is particularly necessary carefully to examine the reasonings and statements of those individuals, who, being qualified from their official stations to give full information on these subjects, are liable to be led by professional feelings to recommend a higher standard of preparation for war, than a less biassed view of circumstances might suggest."

* Second Report, p. 5.

Military and Naval officers connected with government have had their own way so much in fixing the amount of the forces to be kept up, that it would be strange if it had not been carried beyond its proper limit. Many motives of a personal and professional kind serve to warp their judgments in forming conclusions on the circumstances which ought to determine what that limit is. Every officer has a natural and just pride and feeling in the perfection of his own department, and at the same time no great inducement to care much about what it costs ; and therefore it is by no means right to leave it entirely to professional men to decide what the number of the forces should be for our peace establishment.

According to every rational consideration of the subject, it is clear that the preparation for defence should always be kept down to the lowest possible, rather than always raised to the highest possible point. At the highest it produces a great share of the evils of war. A moderate preparation strictly proportioned to the occasion, and not allowed to

go beyond it, will save more evil than it risks ; all beyond this infallibly produces more evil than it prevents ; it impoverishes the nation, and renders it more easily injured by a powerful enemy, than if it had been allowed to save expense, and gather strength in peace *. Our large and well equipped fleets, and numerous well-dressed troops, give, to be sure, an air of magnificence ; but those who furnish out this show should remember the claims of the industrious class for a reduction of taxation.

Notwithstanding there is now, in consequence of the peace of Europe being again established, so strong a case in favour of a great reduction in the military expenditure, if the revenue should keep up, there will be but little chance of its taking place ; for nothing seems to have any influence in attracting public attention to measures of economy, but a positive deficiency of the revenue. While, in 1827, and in the beginning of 1828, the revenue was deficient, the necessity of retrenchment was heard on all

† See Supp. En. Br. vol. iii. p. 276.

sides. When, however, the April quarter's account of 1828 shewed that the revenue was rapidly recovering, not a word more was said on the subject. Seeing, therefore, that such is the result of just having revenue enough to go on with from year to year, and that there is no regard to the consequences of postponing the revision of our financial system, it would perhaps, in the end, be for the public good, if the revenue should not only be again deficient, but continue so for some time.

The great amount of the non-effective expenditure in the Army, Navy, and Ordnance, shews the profusion and the want of due consideration for the public interests, with which every thing in the nature of pensions, half-pay, and retired allowances, has been regulated. Those persons who were the authors of these schemes ought to have known that "liberality exercised at the expense of the public, is but another name for waste and a vice, and that all praise bestowed upon it is false and hypocritical."

In order to protect the public, for the fu-

ture, from this system of making provision out of the public purse for so many thousand persons, who, while in active service, receive full remuneration for their time and trouble, it may be well to consider whether any individual, not now in public service, who shall be employed in any civil or military capacity, should be allowed to receive any pension, half-pay, or superannuation allowance, except in special cases, and under the responsibility of government *.

Army Expenditure.—It appears from papers laid before the Committee of Finance, that in 1792 the number of all ranks in the

* The following account shews to what an extent the principle has been carried of providing for the poorer part of the upper orders out of the public purse.

	<i>Per Annum.*</i>
Military Pensioners, Half-pay, &c.	- £4,900,000
Pensions	- 772,702†
Superannuation allowance	- 480,000‡
	<hr/>
	£6,152,702
	<hr/>

† Paper, Com. Fin. 234.

‡ Report, Com. Fin., Appendix, No. 13.

Army was 57,251, and that they were distributed as follows :—

	Officers and Men.			
Great Britain	-	-	-	17,007
Ireland	-	-	-	11,901
East Indies	-	-	-	10,700
Canada, Nova Scotia, and Bermuda	-	-	-	6,061
Gibraltar	-	-	-	4,221
West-India Islands	-	-	-	6,886
New South Wales	-	-	-	475
				<hr/> 57,251 <hr/>

In 1828 the number of all ranks was 116,738, who were distributed as follows :—

Great Britain	-	-	-	29,616
Ireland	-	-	-	23,969
Colonies	-	-	-	37,037
East Indies	-	-	-	26,116
				<hr/> 116,738* <hr/>

The chief part of the increase is accounted for as follows :—

	Rank and File.			
Increase in the New Colonies	-	-	-	17,112
in the Old Colonies	-	-	-	849
in Great Britain	-	-	-	9,096
in Ireland	-	-	-	10,363
in the East Indies	-	-	-	14,287
				<hr/> 51,707 <hr/>

* Pap. Com. Fin. No. 79.

The following statement was laid before the Committee of Finance by the Secretary at War, to explain what number of troops are necessary for our foreign possessions :—

	Rank and File.
“ There are in the Colonies (exclusive of India, and supposing the troops to have evacuated Portugal,) 52 battalions, each at 516 rank and file, that make - -	26,829
There are in the East Indies - -	22,560
Making together	<u>49,392</u>

“ One-tenth of this force would have to go out every year, (supposing a regiment to be abroad ten years, and to remain at home four years,) that is, 4939 rank and file. There ought to be at home four times 4939, that is 19,756 ; and there ought to be, besides, a depôt (say) of 120 men for each regiment of the 52 battalions abroad, (52×120) making 6240 men *.”

According to this statement, the total force necessary to be maintained for our foreign possessions is 75,388 rank and file, *viz.*

* Evidence of Lord Palmerston.

	Rank and File.
Number abroad - - -	49,392
Reliefs at home - - -	19,756
Depôts at home - - -	6,240
	<hr/>
	75,388

It appears, from the evidence given before the Committee of Finance, by the Duke of Wellington and other military witnesses, that it is necessary to maintain, in addition to this force of 75,388 rank and file, the Foot-Guards, amounting to 5104, and the Cavalry, now in the United Kingdom, amounting to 6129; making, in the whole, a force of 86,621 rank and file.

Of this number there would always be in the United Kingdom—

	Rank and File.
1. The reliefs and depôts, amounting to -	25,996
2. The Foot-Guards - - -	5,104
3. The Cavalry now at home - - -	6,929
	<hr/>
Making the total at home	38,029

But, as 38,000 men for the United Kingdom is a larger force by 9000 than that which was kept up in the peace preceding the war of 1793, it would appear to be a force even more than sufficient, because all the

circumstances of the present time are much more on the side of continued internal peace, than those of the period now referred to.— At that time a formidable conspiracy existed in Ireland for effecting a separation from England by the aid of France ; and England and Scotland were disturbed by the numbers and violence of public meetings.

According to this view of the question of what number the Army should consist, as 87,000 men will provide all the troops requisite for our foreign possessions, and will allow of the Foot-Guards and Cavalry being kept as they now are, and will furnish an army of 38,000 men for Great Britain and Ireland, this force of 87,000 men ought to be considered as quite large enough for all the public services ; but the number voted in 1829 was 102,267, and therefore 15,000 men might to be reduced.

Navy Expenditure.—The following sums were voted in 1829.

	£.
For 30,000 Seamen's wages - - -	1,014,001
Ditto ditto victuals - - -	643,500

	£.
Artificers and Labourers in the Dock-yard	480,000
Timber, and other materials - - -	880,000

It appears from the Report of the Committee of Finance of 1817, that in 1792 it was considered likely that the number of seamen might be reduced to 16,000; and the examination of Sir George Cockburn by the last Committee shews that they considered this fact of so much importance as to induce them to require him to go into a very minute explanation to account for keeping up more seamen at the present time. As the justification made by Sir George Cockburn rested on the state of affairs in Greece and Turkey, and on the piracy then going on in Greece and in the West Indies, the public have now a right to expect a very large reduction in the number of seamen, and generally in the Navy expenditure, under the new posture of public affairs.

If the expenditure in the Navy since the war, had been regulated with reference to the naval forces of other countries, it could never have amounted to what it has;

and therefore, many millions of money have been wholly thrown away: our efforts to increase our naval power could not have been greater, had other nations continued to keep up as large fleets as they did in former times. According to the evidence of Sir George Cockburn, France had, in 1793, eighty efficient ships of the line, and a large number capable of being made efficient. Now she keeps forty in good order, and has only twenty more*. In 1792, Holland had so large and efficient a fleet, that she was enabled to fight the battle of Camperdown. Sir George Cockburn says, she has now no navy of any importance†. In 1793, Spain had seventy-six sail of the line‡; but her navy was so completely destroyed in the battles of St. Vincent and Trafalgar, and on other occasions during the war, that according to Sir George Cockburn's evidence, she has a very small one now. On the other hand, Russia and the United States have

* p. 12.

† Ibid.

‡ James's History, vol. i. p. 80.

more ships than they had in 1792 ; but the increase of their ships makes good but very little of the loss sustained by France, Spain, and Holland, in a comparison between the fleet of England and the fleets of all the rest of the world.

In alluding to the great success of the British Navy in diminishing the naval power of other nations, Sir T. B. Martin stated, in his evidence before the Committee of Finance, “ the glorious fact, that England seemed to have swept from the face of the ocean the fleets of her enemies, by the capture or destruction of 156 sail of the line, 382 large frigates, 662 corvettes, with other vessels, making, in all, 2506 sail of vessels of war*.” Notwithstanding, however, this fact, no less than 63,000,000*l.* have been granted by Parliament since 1815, for the effective Naval service, just as if the whole of these 2506 sail of vessels had never been taken or destroyed, and were all ready to be employed against us.

* Evidence, p. 20.

But this is not all: for, after having spent so many millions, it would appear by the sums voted in 1829 for artificers, timber, &c., that the time for reducing the Navy Expenditure is not even yet arrived. Sir T. B. Martin says, “respecting the force now employed, it may be said, if contrasted with former periods of peace, that we have a fleet in commission approaching more to a war than a peace establishment*.”

Ordnance Expenditure. — The Committee of Finance, in their Second Report, observe, that in the estimates there are no less than 92 stations kept up in the Ordnance service; namely, 46 in Great Britain, 17 in Ireland, and 35 abroad; and they say that this number appears very great. They suggest that a strict examination should be made into the necessity of keeping up so many.

The Committee state the numbers and expense of the Ordnance military corps as follows:—

* p. 19.

In 1792, 4846 Officers and Men, £151,606 expense.		
1828, 8682	ditto	471,543 ditto.

The Committee say, that, in referring to the year 1792 as a year with which to compare the expense of the Ordnance military corps in 1828, they have followed the example of the Select Committee of 1817, who particularly called the attention of the House to the low establishments of that year, by stating, “ That as near an approximation to that low scale of establishment and expense, as might be formed consistent with our more extended possessions, would be highly advantageous in relieving the burdens, and supporting the credit of the country *.”

The Committee proceed to say, they have examined into the cause of the increase of the numbers and expense of the military corps ; but that their inquiries were attended with the difficulty of having to rely on the evidence of those persons who, being qualified by official stations to give informa-

* Second Rep. Com. Fin. p. 66.

tion, are liable to be influenced by professional feelings. They further say, that when they see the sum required is no less than 471,543*l.*, it may be a matter of doubt whether this corps be not on a larger scale than is necessary to secure the keeping up a sufficient extent of military knowledge, or consistent with a fit and prudent degree of preparation for war when the country is in a state of peace.

This report of the Committee contains the following important general observation on our military expenditure:—"Towards the conclusion of the late war, circumstances obliged this country to have a larger army in the field, and to maintain establishments much beyond what can, on any reasonable calculation, be requisite on a future occasion. The Committee, therefore, are of opinion, that the establishments of the country should be regulated, not with reference to the unusual circumstances of that war, or to the probability of being again called upon to make a similar exertion, but rather with

reference to the policy of depending mainly on our navy for protection against foreign invasion, and for the means of attacking our enemies *."

* p. 20.

CHAPTER XIV.

SLAVE TRADE.—DIVIDENDS.— SINKING FUND.

The Slave Trade.—THE great sum of five millions seven hundred thousand pounds has already been expended in carrying into effect the measures of government for co-operating with other countries in putting down the slave trade ; and the annual current expense amounts to near 400,000l.* But the attempt appears to have altogether failed. The governments of France, Spain, and Portugal, according to the Parliamentary Papers, make no efforts whatever to enforce the laws for putting down the traffic, and the persons in authority in Cuba and Brazil not only neglect to execute the laws, but, in some cases, have been engaged in it themselves. So that our treaties and laws,

* Pap. Com. Fin. No. 176.

where such parties are concerned, are so much waste paper ; and spending money to try to give effect to them is a perfect folly. The African Institution say, in their twentieth Report, “ The slave trade has increased during the last year ; and, notwithstanding the number of prizes taken, it continues to rage with unabated fury.” Surely here are sufficient reasons for saving the 400,000*l.* a year, now expended to so little purpose.

Four per Cent. Stock.—Should the interest of money fall to Three per cent., there will be an opportunity of making a saving of about 1,500,000*l.* a year, by paying off the Four per cent. Stock, which amounts to about 165,000,000*l.*

The Sinking Fund.—Our present arrangement of the Revenue and Expenditure, by which a revenue of 58,700,000*l.* is requisite for the public service, is formed on the plan of having a surplus of 3,000,000*l.* a year, to be applied in redeeming debt ; so that if the Sinking Fund were abandoned, three millions of taxes might be repealed. It is so obvious, from what has been said in these

pages respecting the injurious effects of some of the taxes, that the public cannot possibly derive any kind of advantage from reducing 800,000,000*l.* of debt at the rate of 3,000,000*l.* a year, which can be set against the certain good that will follow from reducing taxes to the amount of 3,000,000*l.*, and that there should be no hesitation about suspending the Sinking Fund, till funds could be got for it, without doing so much injury to industry. .

CHAPTER XV.

COLONIES.

THERE is no part of the public expenditure which more admits of reformation than that which is incurred upon the Colonies ; and if the business were undertaken on proper principles, it ought not to be attended with any very great difficulty. No Parliamentary documents shew what the whole expense is that is paid by English taxes, on account of the Colonies. It is generally estimated that from two to three millions are paid for the Army, Navy, and various Civil charges ; but, in addition to this, the public pay full two millions more for sugar and timber than they ought to pay, in consequence of the increased prices occasioned by the protection given to the colonists by the higher duties imposed on these articles, when imported from foreign countries.

A Letter from the Treasury to the Secretary of State for the Colonies, dated the 24th March, 1827, fully explains the want of order, economy, and control, which has existed with regard to this important branch of administration*. This Letter states, that the collective expenditure of five of our Colonies has exceeded, on an account of ten and more years, the colonial revenues applicable to the discharge of it, so as to have constituted a deficiency of 2,524,000*l.*; that of this sum, 2,425,000*l.* has been paid, partly by bills on the Treasury, by advances to the Agents of the Colonies, and by the discharge of debts to the East India Company; that the greater part of this expenditure has been incurred without any previous communication with the Treasury; and that the Treasury has been uninformed, not only of the measures, which, from time to time, have led to extraordinary expenses in these Colonies, but even of the state of the ordinary revenues, and of the permanent charges upon them. The Letter further states the

* Papers Com. Fin.

great inconvenience to which such an imperfect administration of so important a branch of the public expenditure is obviously liable, and the decided opinion of the Treasury, that some alteration is urgently required in the system on which the financial arrangements of the Colonies have hitherto been conducted.

If anything were wanting to confirm the accuracy of the statements which have already been made as to the profusion, neglect, and mismanagement, with which the public money has been wasted, this Treasury Letter most completely supplies it. This Letter places, beyond all doubt, the fact, that our expenditure has reached its present amount, not by providing for what the necessity of the public service has required, but by sheer extravagance, arising from allowing the different departments to have their own way in spending whatever money they pleased.

When we see one department giving a lecture of this kind to another, and making public how matters have been going on

among them, the inference arising from the argument of the probability that great retrenchment is practicable, is converted into a certain conclusion.

The past extravagance of our expenditure in the colonies, and the prospect there is of making them contribute towards their own defence, render it highly probable, that if a wise system of management were introduced, a considerable reduction in the charge on the public purse would be the consequence. With respect to financial arrangements, the control of the Treasury over the Colonial Department should be insisted upon, and fully established. Accounts should be laid before the Treasury, at least quarterly, of the revenue and expenditure of each foreign possession. A Colonial budget should be stated to the House of Commons every session by the Chancellor of the Exchequer, and all Colonial expenses should be voted on a distinct estimate. The official establishments in the colonies should be revised, and reduced to what is merely necessary; excessive salaries should be diminished, and

none but efficient officers should be appointed. All restrictions on colonial trade should be taken off, and then each colony should be made to contribute to the expense of its defence.

With regard to the commerce of the colonies, all that is wanting is, to give effect to the principle on which the colonial laws of 1822 and 1825 were enacted. The speeches with which these laws were introduced to Parliament by Lord Goderich and Mr. Huskisson established the policy of a free trade, and of putting an end to the old colonial monopoly; and this principle the British legislature adopted in the most complete manner, as the future principle of colonial trade, by unanimously passing these laws.

But the trial that has been made of them shews that, in point of fact, they have had no kind of effect in making the trade of the colonies more free than it was before. The truth is, that the principle of free trade on which they were founded has been completely inoperative in consequence of the clauses imposing duties on foreign goods,

attached by Mr. Huskisson to the act of 1825, for giving effect to the proviso in his speech, "that the importation of foreign goods into the colonies should be made subject to such moderate duties as may be found sufficient for the fair protection of British productions of a like nature." These duties are so high, that England still practically enjoys all the advantages of the old monopoly with respect to supplying the colonies with her productions. The failure, therefore, which was foretold, in 1825, of the attempt to establish a free colonial trade, and at the same time give protection to British manufactures, has come to pass; and it is now clear that these two things are quite incompatible, and that there is only a choice between two alternatives, a choice between absolute freedom, and absolute prohibition.

What ought now to be done, in order to promote, in a certain and effectual manner, the interests both of the Colonies and the British public, is, to amend the law of 1825, so as to make it, by repealing all the restric-

tions of the old system which that law continued, what it was intended by the legislature to be, namely, a law to give a perfect freedom of trade to the Colonies, and thus get rid, *in toto*, of the colonial monopoly.

The principal restriction arises from the duties just now referred to on foreign goods; these should be reduced, so as no longer to be for the purpose of giving protection to British manufactures, but only for obtaining revenue. As the Colonies form so small a portion of the market for British goods, the admission of foreign competition in them would scarcely be perceived at home. It would, therefore, be a groundless exaggeration to say, that the British manufacturer would sustain great injury from the removal of all restrictions on the intercourse of the Colonies with foreigners.

In the states of North and South America, where trade is free with all nations, the great mass of imports are received from Great Britain, because the British goods are cheaper than others; and the same reason would operate in securing to the

British manufacturers the principal supply of the Colonies when all protection was removed.

By the existing law of navigation, a foreign ship is prevented from importing into the Colonies any goods, except they are the produce of the country to which the ship belongs. This cannot fail to operate as an injurious restriction, and it ought, therefore, to be repealed. The idea of such a regulation being of any advantage to the British navy is absurd. By repealing it, the Colonies would be placed on the same footing as the East India Company's territories. Lord Goderich said, in proposing the Act of 1822 to the House of Commons, "If we look to the dominions of England in the Eastern hemisphere, we shall find the restrictive system has been entirely and systematically abandoned. The whole of the East India Company's territories have never been shackled with the peculiar restrictions of the navigation laws; and who will say," said his Lordship, "that the interests of commerce or of navigation have

suffered ? or rather, who will deny that they have been materially benefited by the freedom they have enjoyed * ?” Mr. Marryat, speaking on the same occasion, said, “ ships under any flag upon the face of the globe had free access to the ports of our East Indian territories, to bring commodities of every description, and to take away theirs in return. They could buy everything where they could buy cheapest, and sell everything where they could sell dearest † .”

The restrictions imposed by the Act of 1825 on the importation into the Colonies of beef, pork, fish, coffee, cocoa-nuts, sugar, molasses, and rum, should be taken off, and also the duties imposed by the same Act on the importation of corn, flour, peas, beans, rice, lumber, horses, mules, and cattle.

As the incomes of the owners of estates in the Colonies are derived from profits on their capital, and not from rent, it is essentially necessary that the prices of the articles requisite for feeding the slaves, and all

* Parliamentary Debates, vol. vi. p. 1416.

† Ib. vol. vii. p. 604.

other articles which are of the nature of materials for growing and manufacturing sugar, rum, &c. should be kept down, so that the cost of production may be as low as possible. All these restrictions and duties on food, clothing, lumber, &c., are positive taxes on labour, and cannot be justified by reference to the interests of Irish, Scotch, or Canadian land-owners.

If the planters of our Colonies are ever to carry on a successful competition with foreigners in supplying foreign countries with sugar, it is absolutely necessary that these restrictions on food, lumber, &c. should be done away, or that they should be countervailed by continuing to tax the people of England to pay a bounty on exporting sugar. Our present system is the height of absurdity ; first to raise the cost of producing sugar by taxing labour in the Colonies, and then to countervail the consequences of it, by taxing the people of England to pay a bounty on sugar.

As these duties on corn and lumber were the cause of the alien duty which the United

States imposed on British ships trading between America and the Colonies, this is an additional and a most cogent reason for repealing them.

The duty of 8*l.* 8*s.* a cwt. on refined sugar, imported into England, operates as a prohibition of refining in the Colonies for the supply of the British market ; and the bounty on refined sugar, exported from the United Kingdom, prevents any refining in the Colonies for foreign markets. If these impediments were removed, the business of refining sugar in the Colonies might be carried on to great advantage. Sugar could be refined there at one-third of the expense it costs in England ; and this circumstance, together with the saving of the increased expense of freight for carrying raw sugar, would admit of the price of refined sugar being reduced, so as to increase the consumption of it in England, and to secure it a market abroad. Mr. Bryan Edwards says, that the great progress which was formerly made in the improvement of the French Colonies was chiefly owing to

their being allowed to carry on the business of refining sugar.

In order to extend the market for all the different productions of the Colonies, and at the same time do what would be extremely beneficial to the public at large, particularly to the manufacturing and shipping interests, every article of the growth, produce, or manufacture of the Colonies should be admitted into the United Kingdom free of duty, except sugar, rum, and coffee. As a number of these productions are articles of raw materials of manufactures and trades, such a measure would be of the greatest advantage to them.

If all these measures were adopted which have just been suggested, then the principle of the law of 1825 would have full operation. There would be no obstruction in the way of the colonists turning their skill, industry, and capital to the best advantage in any manner they pleased. Instead of continually looking to Government and Parliament for relief from their distresses, they would find out either how to realize a fair

profit in their present pursuits, or to withdraw their capital, and place it where it could be turned to a better account.

But the benefit of these measures would not be confined to the colonists ; it would extend itself in various ways to the public at large. In the first place, as the granting of a really free trade to the Colonies would be an abandonment of that part of the old colonial monopoly which secured to England the supplying of the Colonies with her productions, the grounds would be laid for taking away from the Colonies the monopoly which they have of supplying the United Kingdom with sugar, and other productions. So long as England forces the Colonies to resort to her for what they have to buy, they are entitled to demand that they should be allowed exclusively to supply England with colonial products ; but when we shall relieve them from all vexatious restraints, and allow them to resort to all the markets of the world, they will have no longer any claim to the monopoly of the British market. When the merchants and

manufacturers of England are deprived of the monopoly of the Colony market, we are bound, in justice to the public, to deprive the colonists of the monopoly of the British market. It has always been admitted by the ablest defenders of the monopoly system, that one part of it could not be supported independently of the rest; that the two branches of the monopoly must stand or fall together. Lord Sheffield says, "the British dominions are as much entitled to the monopoly of the markets of the British West Indies, as the latter are entitled to those of the former; and whenever that monopoly is given up, it will be the highest absurdity not to open all the British ports to foreign raw sugar*."

Another most important benefit that the public at large may derive from a really free colonial trade, is the payment by the Colonies of the expense incurred in supporting armies and fleets to defend them. One of the witnesses examined before the Committee of Finance, whose public situation

* Edinburgh Review, vol. xlii. p. 301.

made his evidence of the highest authority on this point, said, that "attempts have been made in all the West India islands to induce them to contribute to the expenses of the establishments; and they have always represented that their means of doing so were crippled by the commercial arrangements of the mother country: they have said, 'if you will let us trade as we like, and collect our own custom duties, and so on, we will do it*.'"

This willingness to contribute towards the defence of the Colonies on these conditions is declared by all who are interested in them. The means, therefore, of effecting a very great retrenchment in our present expenditure is entirely in the hands of the

* Evidence of Lord Palmerston, p. 146.

The member of a city, the third in rank for its trade with the Colonies, expressed himself on this subject as follows, in the last session. "Let the trade on the part of foreign countries with the West India islands be opened upon payment of five per cent. duty on all articles imported there, and then, and not till then, would he consent to a reduction of the protecting duties on East India and foreign sugars." (May 25, 1829.—Mr. Bright.)

legislature, at no greater trouble than that of now doing what it was the declared intention of the law of 1825 to do, namely, establish, sincerely and thoroughly, a free colonial trade.

Another great benefit, that will be gained by wholly getting rid of the old monopoly system, will be the removing of all difficulties in the way of forming a correct opinion upon what are the advantages of Colonies. The prevailing opinion, that large profits are obtained through the monopoly, has always confused the question. This opinion has been held to be so completely beyond all doubt, that the great value of Colonies has been considered as not admitting of dispute ; and no pains have been taken to trace by facts in what way they are valuable. Had such an examination been properly gone into, it would have shewn that neither the British public nor the Colonies have ever been benefited by the monopoly ; and it would also have shewn that the possession of the Colonies affords no advantages which could not be obtained by

commercial intercourse with independent states.

There are only three ways that the colonies can be of any advantage, 1. In furnishing a military force; 2. In supplying the parent state with a revenue; 3. In affording commercial advantages.

1. Instead of furnishing a military force, the Colonies are always a great drain upon the military resources of the country, particularly in war, when they occupy a large portion of the army and fleet in their defence. In the last war, while our own shores were threatened with invasion from Boulogne and Brest, our means of defence were greatly crippled by the number of troops and ships we were obliged to keep in the colonies.

2. With respect to revenue, we have declared by the Act of the 18 Geo. III., that we will not levy any taxes or duties in the colonies except for their use.

3. As to commercial advantages, if the colonial trade were quite free, our commercial relations with the colonies would resemble the intercourse between ourselves and

independent countries ; and therefore whatever advantages we shall derive from them will be embraced in two questions—1st, Whether our commerce with them will be more beneficial than with independent countries ? 2nd. Whether the capital employed in them will be more beneficially employed than it would be, if employed in the United Kingdom ?

With respect to the first question, it is one easily solved, because, where the employment of capital is free, the net profit that may be obtained by the employment of it in commerce with independent countries, will always be as great as if it were employed in the colonial trade. The trade we carry on with the United States proves this.

With respect to the second question, it is necessary to trace the operations of capital when employed in the Colonies, and when employed at home. In the West India islands it goes to feed and clothe slaves ; to pay British agents, clerks, and managers ; to employ ships and sailors ; and although the gross profit upon it seems very high

when all the charges and risks are considered, and also the effects of competition, the net profit cannot be greater than it is on capital employed at home.

When capital is employed in the United Kingdom—for instance, on manufactures—it pays wages to English workmen instead of buying clothes and food for slaves ; it employs agents, clerks, and managers ; it employs ships and sailors to import raw materials, and to export the finished goods, and the rate of net profit on it is full as high as that on capital employed in the Colonies. The incomes derived by West India proprietors from their profits are spent like incomes derived from rent, and add nothing to the national wealth ; but the profits made on capital employed at home are added to capital, and thus promote the constant accumulation of it. It is clear, therefore ; that, on the whole, the public derives no commercial advantage from the colonies, which it might not have without them.

They do not even afford any advantage, as some persons suppose, by enlarging the field

for the employment of capital ; for there are still means enough for employing capital with profit at home ; and if new means were wanting, they would be more effectually obtained by removing restrictions on trade and revising the taxes, than by increased trade in the colonies.

This general reasoning, which the principles of trade suggest, in refutation of the imaginary advantages of colonies, is completely borne out by the experience of facts. The history of the colonies for many years is that of a series of loss, and of the destruction of capital ; and if to the many millions of private capital, which have been thus wasted, were added some hundred millions that have been raised by British taxes, and spent on account of the colonies, the total loss to the British public of wealth, which the colonies have occasioned, would appear to be quite enormous.

The only conditions on which it can be wise and politic for us to continue to keep colonial possessions are, that the number of them should be greatly reduced ; and that

those which we retain should contribute the whole expense incurred in their defence. Even with such conditions, no advantage would be gained, now or at any other time, unless the planters should prosper and accumulate wealth, and thus add to the general stock of public wealth. It is in order to secure this object that the public is particularly interested in giving to the colonies the full benefit of that perfect system of free trade, which everything connected with colonial reform and retrenchment shews to be wise and politic.

Dr. Chalmers, in referring to the peace of 1763, says, "The true objection to this peace was, not that we had retained too little, but that we had retained too much;" namely, Canada, Louisiana, Florida, Granada, Tobago, St. Vincent, Dominica, and Senegal. "Millions," he adds, "of productive capital were withdrawn from the agriculture, manufactures, and trade of Great Britain to cultivate the ceded islands in the other hemisphere: domestic occupations were obstructed and circulation stopped, in

proportion to the stock withdrawn, to the industry enfeebled, and to the ardour turned to less salutary objects *."

In settling the conditions of the last treaty of peace, it was most unwise to retain so many of the conquered colonies. Trinidad, Demerara, Essequibo, and Tobago, were but little advanced in cultivation ; a large transfer of capital was necessary for their cultivation, and there was little or no local revenue belonging to them.

At the close of the war, the East India Company was anxious to be allowed to have the Island of Ceylon, and it is not too late to give it up to them ; but, as large sums of public money have been expended since the war in adding to its value, the Company should repay a large part of them, as the condition of becoming masters of this island.

As the Cape of Good Hope and the Mauritius are of no use except for the defence of the East India Company's possessions, the Company ought to be called on to defray

* Estimate, pp. 142, 143.

all the expense of their military protection ; and it is to be hoped that the opportunity, which the expiration of the Charter of the Company will offer, will lead to an arrangement which will secure all these objects.

When peace was made in 1814, the English government wished to let Austria have the Ionian Islands, but France would not agree to this arrangement. There can be no real use in keeping these islands, with Malta and Gibraltar in our hands.

The settlement of Sierra Leone and the military posts on the west coast of Africa should be given up. The public derives no benefit from these possessions, either in a commercial or military point of view ; and with respect to the slave trade, the use they are of in contributing to put it down is so questionable, as not to justify the waste of money, and of human life, which they occasion.

With respect to Canada, (including our other possessions on the continent of North America,) no case can be made out to shew

that we should not have every commercial advantage we are supposed now to have, if it were made an independent state. Neither our manufactures, foreign commerce, nor shipping, would be injured by such a measure. On the other hand, what has the nation lost by Canada? Fifty or sixty millions have already been expended; the annual charge on the British treasury is full 600,000*l.* a year; and we learn from the Second Report of the Committee of Finance, that a plan of fortifying Canada has been for two or three years in progress, which is to cost 3,000,000*l.*

CHAPTER XVI.

IRELAND.

IRELAND, hitherto so heavy a burden on England, may now be considered as a source of great financial support. Industry, and the accumulation of wealth, must have been greatly obstructed by the continued agitation of all parts of that country. Mr. Malthus remarks, with great force, and in terms which render his observation peculiarly applicable to Ireland, that “among the primary and most important causes, which influence the wealth of nations, must be placed those which come under the head of politics and morals. Security of property, without a certain degree of which there will be no encouragement to individual industry, depends mainly upon the political constitution of a country, the excellence of its laws, and the manner in which they are administered; and

those habits which are the most favourable to regular exertions, as well as to the general rectitude of character, and are consequently most favourable to the production and maintenance of wealth, depend chiefly upon the same causes, combined with moral and religious instruction*.” Now the law, which deprived several millions of Catholics in Ireland of their civil rights, established that hostility to laws of all kinds, which occasioned general discontent, and that series of outrages and insurrections, which kept the whole country in a state of constant alarm and agitation. It placed society under such circumstances as did not admit of the existence of security of property in that complete degree which is essentially indispensable, in order that industry and capital should have their proper effects in bringing into use the natural resources of the country, and augmenting its annual productions ; under such circumstances as did not admit of the forming of those habits among the people

* Principles of Political Economy, p. 344.

which are the most favourable to regular exertions and general rectitude of character, and consequently most favourable to the prosecution and maintenance of wealth.

Ireland is not now a poor country, and her people unemployed, because she has not had opportunities of being a rich and industrious country, but because her habits have been such, that these opportunities have been thrown away. During thirteen years, from 1803 to 1816, the demand for all her productions was so great, and the prices of them so high with reference to the cost of production, that had it not been for the defects in her political and moral condition, she must have become a very rich and flourishing country. Had she possessed the same free and tolerant laws, and the same habits, as England, Scotland, Holland, Switzerland, and the United States, an immense accumulation of wealth would have been secured before the fall of prices which took place subsequent to 1816.

Now, however, that the main evil is removed, security of property will be esta-

blished, by every sect being free from all restraint, and interested in coming forward to promote the due administration of the laws; this will draw forth the capital, which, under all disadvantages, exists in Ireland to a very considerable amount, and lead to a rapid progress being made in adding to it,—as the markets of England are open to all Irish productions, while the cost of production is low, the rate of profit in Ireland is high, and therefore accumulation, with improved habits, will be very rapid.

All the commercial restrictions and vexatious Custom-House regulations that fettered the intercourse between Ireland and England having been removed a few years ago, the foundations are established for rendering the settling of the Catholic Question as completely successful in promoting the prosperity of Ireland, as the most zealous advocates of it have ever anticipated*.

* In the year 1821 a motion was made in the House of Commons by the Author for a Committee to inquire into the commercial intercourse between Great Britain and

The net revenue now paid by Ireland is, with reference to her population, at the rate of about 9*s.* a head ; whereas, that paid in Great Britain is at the rate of 70*s.* a head. If, then, the future improvement of Ireland shall so far increase its wealth as only to make the revenue amount to 18*s.* a head, England will receive 3,800,000*l.* a year more from Ireland than she now receives*.

Ireland, with a view to carrying the following measures :
1. The repeal of the Union-protecting duties. 2. The repeal of the countervailing duties. 3. The placing the trade on the footing of a coasting trade. 4. The reduction of port charges. 5. The assimilation of the currency of Ireland to that of Great Britain. All these measures have since been adopted, pursuant to the Reports of the Commissioners of Irish Revenue Inquiry.

* The Net Revenue of Ireland in 1828 was 3,728,000*l.*

CHAPTER XVII.

SUMMARY OF RETRENCHMENT.

HAVING now gone through the principal heads of the public expenditure, it remains only to make a summary of the reductions which have been suggested with reference to the expenditure of 1827, amounting, with the Sinking Fund, to 58,744,863*l.* *.

As the only object of this publication is to shew the expediency of reducing certain taxes, and the practicability of making retrenchment, the manner and time of carrying these measures into operation is left for others to settle. It is by no means intended or expected that all that has been proposed, under the conviction of the benefit which would be conferred on the public, should or could be immediately adopted. What is stated, therefore, as practicable in the way of retrenchment, is not to be taken as pro-

* See *Supra*, p. 103.

posing a plan for carrying into effect any hasty or crude reform, but merely as the result of a careful consideration of all the facts of the case.

The following are the reductions of expense which have been suggested in the preceding pages. Linen Bounties, 200,000*l.* Bounties on Fisheries, 90,000*l.* Bounty on Sugar, 100,000*l.* Management of Debt, 270,000*l.* Lord Lieutenant of Ireland, 100,000*l.* Irish Miscellaneous Services, 100,000*l.* Slave Trade, 350,000*l.*

The reduction of the amount of these items might be made without any real difficulty.

Under the collection of revenue, the greater part of the sum of 700,000*l.* a year, which is expended in attempting to suppress smuggling, would be saved by the proposed reduction of taxes; and other expenses might be considerably reduced.

What might be saved under the heads of the Management of the Expenditure and Civil Government, would amount to some hundred thousand pounds, if all salaries

were reduced, and the mode of conducting business revised and reformed.

With respect to the military and naval expenditure, now that peace is restored to Europe, it ought, at least, to be reduced to the amount of two millions.

If one million a year of the Sinking Fund were applied in converting perpetual annuities into annuities for ninety-nine years, a considerable redemption of debt would be secured, and two millions might be reduced.

Should the 3 per cent. stock rise to par, the reduction of the dividends on the 4 and $3\frac{1}{2}$ per cent. stocks should be a matter of course.

And if the measures proposed for reforming our colonial system were adopted, it may reasonably be expected that one-third of the present expense might be saved.

CHAPTER XVIII.

NEW TAXES.

ALTHOUGH nothing has been set down in the foregoing statement, for which reasons, of greater or less force, have not been given, as the several reductions could not be brought into operation for some time, it would not be right to depend on them only, for the means of making good the revenue that would be lost by repealing taxes. The proper principle on which the proposed reduction of taxation and expenditure should be conducted, is, that the securing of a sufficiency of revenue should never be a matter of doubt; and, therefore, it is particularly desirable that when a measure is taken for reducing taxes, there should, at the same time, not only be some measure to produce a reduction of expense, but also a new tax which shall be of

such a nature as to make quite certain of receiving from it full as much revenue as will be wanting for all the public services.

In selecting a new tax, there seems to be but one opinion with respect to what tax that ought to be. Persons who hold the most opposite doctrines on the subject of our financial, commercial, and agricultural difficulties, in suggesting remedies, have made an Income Tax a part of them. Such a tax, if fixed at about one and a half or two per cent., would probably yield three millions a year ; for though ten per cent. in 1814 yielded not quite 14,000,000*l.*, it is reasonable to assume that the progress of national wealth in the United Kingdom since that year would render a tax of two per cent. as productive as just stated.

What has now been said concerning the means of making good the revenue which would be lost by reducing taxes,—1. by increased consumption ; 2. by retrenchment, and 3. by an Income Tax,—makes it clear that it is practicable to carry into effect a great part of the reform of taxation which

has been proposed. If an Income Tax were imposed, and if, at the same time, government made those retrenchments, which it has the power of making without any difficulty, a reduction of some millions of taxes might be attempted in the first year ; and if the business of retrenchment were steadily and vigorously persevered in, a further reduction of one or two millions of taxes might be effected in each subsequent year, till the whole plan of reform should be carried into execution.

If, in addition to this reform of the taxes, all monopolies and protections were abolished, the condition of every class of society with respect to pecuniary impositions for the public service would be greatly improved. There would be less money, to the amount of at least twenty millions a year, paid for taxes and for protecting prices ; all prices would be greatly reduced ; the cost of production would be considerably diminished in manufactures ; the rate of profit on capital would be raised ; the employment of capital and labour would be greatly extended ; the inte-

rests of agriculture, manufactures, and foreign commerce, would be strengthened and advanced ; the accumulating force of acquiring new national wealth would be increased, and if peace should continue, the sources of taxation would be so enlarged, that all financial difficulty would be got rid of ; inasmuch as the consequence of increased wealth would be to establish the practicability of carrying on new wars without adding to the debt, and wholly by war taxes.

CHAPTER XIX.

THE NATIONAL DEBT.

THE Fourth Report of the Committee of Finance contains the following account of the amount of the Funded Debt:—

Capital of Debt unredeemed	-	£777,476,890
Long Annuities	- - -	1,331,458
Imperial and Exchequer Annuities		67,718
Life Annuities	- - -	617,537
Annuity payable to the Bank	-	585,740 *

As the great amount of the debt has produced a very general opinion that England cannot embark in new wars without destroying her trade and manufactures, and without so exhausting the resources of taxation as to incur the calamity of national bankruptcy, it is important to make some remarks on the funding system, by which the debt has been created, and to trace its effects

* 4th Rep. Com. Fin. 1828. App. No. 17, p. 124.

on the industry, wealth, and power of the state.

It is now, while we are at peace, that it is proper to make those investigations which are necessary to enable us to form correct opinions respecting the injury which the debt has already occasioned ; and respecting the probable injury which will be the result of making additions to it. This opportunity ought not to be neglected for considering these questions, and for digesting and maturing those measures which, after a full examination of the financial circumstances of the nation, may appear most fit to be adopted. But before going into this subject, a few remarks will be made to explain what the extent of the evil is which the debt has produced.

After the capital of individuals gets into the hands of government in the shape of a loan, it is immediately paid away in purchasing stores, provisions, or in providing the instruments and materials of war ;—that is, on perishable commodities. So that, at the end of a year, or at most a few months

more, "it is turned away from serving in the function of capital to serve in that of revenue, and is spent and wasted without even the hope of any future reproduction*."

If the capital, which, from time to time, has been contributed to loans, had not been so applied, it would still be in existence, and it would have been employed in carrying on some trade, with the ordinary rate of profit; so that it would, every year, have been augmented. The debt, therefore, has not only diminished the wealth of the nation, by the actual amount of the capital subscribed to it, but by the amount also of the accumulation of new capital, which would have followed from the lost capital being productively employed.

This is the great evil which has arisen from the funding system; and had it not been for the wonderful energies of the country in accumulating new capital to replace the immense amount that has been

* *Wealth of Nations*, vol. iv. p. 30. Mr. M'Culloch's edition.

extinguished, poverty and ruin must have been the result*.

The next circumstance to be noticed, as arising from the debt, is the taxation, which becomes indispensable in order to provide the interest payable upon it.

The annual charge for the debt is 28,372,142*l*.† The raising of this sum by taxes has quite a different effect upon the national wealth from that which has been explained to be the effect of loans. In the case of taxes laid on for paying interest, instead of capital being contributed, which is spent and lost, a portion of the revenue or income of one set of persons is taken, and paid over to another set, in the shape of dividends. There is, therefore, no positive diminution of the national wealth occasioned by this operation; and the paying of

* The increased exertion and parsimony which were produced by the taxes during the war make it extremely doubtful whether the capital of the country would have been materially greater than it is, had the general tranquillity been maintained from 1793 to the present time.—See Note, *Wealth of Nations*, vol. ii. p. 120.

† 4th Rep. Com. Fin. App. No. 17, p. 125.

28,000,000*l.* a year in dividends is, in point of fact, a transfer of so much money from the pockets of one part of the public into the pockets of another part of it. And if the taxes for paying the dividends did not fall on the materials of industry, on manufactures, and on food, the principal injury they would occasion, would consist in the expense and vexation attending the collecting of them. As a large amount, however, of the existing taxes are of the latter description, the debt is justly considered as a heavy burden on the industry of the country.

If the facility with which money may be obtained were the only circumstance to be attended to, there is no question that the borrowing system is the best. But other considerations should not be overlooked. Those who are the advocates of this system seem not to have taken any very comprehensive view of its different bearings and incidents. They ought, however, to extend their observations to the remote effects of it, and trace its permanent and ultimate influence. Our present situation, in conse-

quence of the extent to which taxation has been carried, for providing the interest of the debt, ought to remove all doubts concerning its destructive character; for we certainly are less able than we ought to be to resist whatever attacks may be made on our freedom and independence, as well as to interfere with decisive effect in defence of the liberties of others*.

On the other hand, the public derive some advantage from the debt, for it serves to promote the accumulation of capital by affording, with very little trouble or expense, the opportunity of investing money in stock with the certainty of receiving the interest upon it on a fixed day, and with the power of getting immediate possession of the principal whenever it may be wanted; but a fourth or a fifth part of our debt would be quite large enough for this purpose.

Although the immense efforts that have been successfully made in the last forty years to extend industry and increase pro-

* See note, *Wealth of Nations*, vol. iv. p. 561, &c.

duction, particularly by the use of machinery, have in a great measure counteracted the evils of the funding system—in the long run, if the expenses of future wars shall be provided by loans, and if each war shall add some hundred of millions to the debt, and some ten or fifteen millions of permanent taxes to those we now have, no new efforts to extend industry and production will be able to counteract the effects of the kind of taxes which must, under such circumstances, be imposed. There must be a limit somewhere to taxation, beyond which, if it be carried, national decay will follow; and surely a debt of near 800,000,000*l.*, requiring 28,000,000*l.* of taxes for interest, must have brought the country a long way in the course of approximating to that limit.

CHAPTER XX.

FUTURE WAR EXPENDITURE.

SEEING what the amount of the debt is, or rather of the taxes for paying the interest on it, and what the consequences will be of new loans, the only conclusion to be come to is, that the security and stability of the British empire depend on so managing the finances of it, that the whole expense of them in future wars may be provided for by war-taxes.

In order to accomplish this, the principal measure to be adopted is to reduce the peace establishment ; for if three, four, or more millions were reduced, these would be so many available millions in the possession of the public as resources for war expenditure.

With respect to the practicability of pro-

viding for war expenditure, by war taxes, if the reforms with respect to taxation and retrenchment, which have been proposed, were only in part adopted, the country would certainly be in a state to pay, within the year, all the expenses of a war, conducted with proper economy.

The great expense which has been incurred during the peace, upon the Army, Navy, and Ordnance, and the efficient manner in which the money has been applied in placing these services in a high state of preparation for war, should enable us to go to war without a very great additional expense.

There is now expended about 16,000,000*l.* annually on the Army, Navy, and Ordnance, of which 11,000,000*l.* is effective expenditure. In looking back to see what was the annual expenditure in the last war, it appears that in 1798, when our fleets and armies were very numerous, and actively employed, the war expenditure was 33,000,000*l.* If, then, we assume that 30,000,000*l.* would be the annual expenditure in a new war, 19,000,000*l.* will

be wanting in addition to the 11,000,000*l.* now expended.

As the Property-Tax, and the half of the Assessed Taxes which have been repealed, yielded a revenue of 18,000,000*l.*, if no more than 19,000,000*l.* were required in addition to our present expenditure, there ought to be no difficulty in raising it; for a Property-Tax of ten per cent. should now yield a much larger revenue than it did in 1815, in consequence of the increased wealth of the nation since that time, and of there being no longer any reason why it should not be extended to Ireland.

If an Income-Tax of ten per cent. did not produce sufficient revenue for all the war expenditure, it would be much better to make it twelve, or even fifteen per cent., than to raise money by loans, or to re-impose the high assessed taxes which were levied last war, for these would interfere much more with trade and industry than a higher rate of Income-Tax.

As an Income-Tax would chiefly fall on

rent, tithes, interest money, and dividends, the large revenue which it would yield from the moment it was imposed, would not be accompanied by any shock to industry ; it would produce no interruption to the usual operations of manufactures and trade ; it would not diminish the amount of capital employed on them, nor of the wages paid to the workmen ; nor would it have any influence in raising the prices of goods ; and consequently, it could have none in diminishing the market for them. There is not, in point of fact, any foundation for the opinion which some persons are known to maintain, that the laying on of a large amount of war taxes would produce an enormous derangement of industry, and that war taxation would throw the country into more difficulty than loans. The heavy war taxes of 1798 produced no such derangement or difficulty.

But, in order to carry into effect an attempt to avoid the necessity of having recourse to loans in a new war, with any

chance of success, some preparation is indispensable while we are in a state of peace. In the first place, a moderate income tax should be imposed, as has already been suggested, as a foundation to raise, in the first year of war, a full year's produce at an increased per centage; for, if no preparation be made, when war shall happen everything will be in confusion, and all money matters under great embarrassment. There will be no time for deliberation; everything will be done in a hurry; every kind of expedient will be adopted that promises the means of overcoming the difficulty of the moment: and as the raising of money by loans will appear to divest the war of its chief privations and hardships, this will be, in all probability, under such circumstances, the course adopted.

Another indispensable measure of preparation for conducting the finances during war without loans, is the getting rid of the greater part of the unfunded debt.

The amount of Exchequer Bills issued and

unprovided for on the 11th of February, 1829, was 28,046,000*l.* *, since which three millions have been funded.

The only advantage the public derives from having so much of its debt due on Exchequer Bills, consists in the interest on them being lower than the interest would be on the same sum, if converted into stock. The annual saving may be estimated at 300,000*l.* But against this advantage, the following disadvantages are to be set :—

1. Whenever public or commercial credit receives a shock, Exchequer Bills come to a discount, and payments may be made in them to government for taxes, or other purposes, just at the time when the revenue is most likely to be deficient.

2. The existence of a large unfunded debt at the commencement of a war would deprive the government of the advantage of being able to raise money on Exchequer Bills until the war taxes should become productive ; or, in case of a loan being unavoid-

* Parliamentary Papers, 1829—No. 11.

able, it would deprive the government of the only resource by which combinations of loan contractors can be defeated.

3. As the government deal chiefly with the Bank of England in disposing of Exchequer Bills, the capital of the Bank is vested in them to a very large amount, instead of being employed in discounts, and so as to be at the command of the Bank whenever a run takes place for gold. As long as this is the case, the currency is not settled or safe, nor the public free from being exposed to the evil of a renewed suspension of cash payments.

For these reasons, therefore, the loss in interest, which would be incurred by funding the greater part of the unfunded debt, would be amply compensated by doing away with these very great disadvantages which are the consequences of it, and which expose the country to suffer much larger losses.

What has now been stated with respect to preparing for going to war, shews that, if a proper financial preparation is to be made, as well as preparations of armies and fleets,

no time should be lost in adopting the following measures :—

1st. Such a revision and reform of taxes, and of commercial regulations, as shall remove all existing obstructions in the way of extending industry and national wealth ; so that the sources of war taxes may be increased as much as possible.

2dly, Such a revision and reform of the public expenditure as shall carry retrenchment into every part of it, and reduce the peace establishment to the lowest point consistent with the public service.

3rdly. The imposing of an income tax of $1\frac{1}{2}$ or 2 per cent., in order that one of 10 or 12 per cent. may be brought into full operation the moment a war becomes inevitable.

4thly. The funding of at least two-thirds of the unfunded debt.

These are all measures obviously necessary, to allow the natural capacity of the nation to meet, in the most effectual manner, whatever difficulties may occur. The adopting of them cannot but be attended with every kind of advantage in peace, as well as

in war ; and the postponing of them will be nothing short of exposing the British Empire to the most formidable difficulties, and the greatest disasters.

The experience of what took place with respect to loans and war-taxes in the last war affords the strongest reasons for inducing Parliament to come to a determination to carry the principle of war-taxes to the utmost limit in a new war, sooner than raise money by loans.

A Treasury Account that was laid before the Committee of Finance contains the facts on which this policy may be justified *. In this account there is a column, No. 3, which shews what the expenditure was in each year from 1792 to 1816, exclusive of any charge for Sinking Fund on the debt as it existed in 1792 ; and also exclusive of every charge on any debt contracted subsequent to 1792. So that this expenditure is what would have taken place as the expenditure of the war, if, in 1793, the Sinking Fund

* See Appendix, No. 4.

had been discontinued, and if no loans had been made subsequent to 1792.

Another column of this account, No. 4, shews the net revenue yielded by taxes that was paid into the Treasury in each year from 1792 to 1816.

This account shews, by a comparison of the total expenditure during the wars of 1793 and 1803, (exclusive of interest on loans borrowed subsequently to 1792, and of payments on account of the Sinking Fund,) with the total revenue paid into the Exchequer, that the excess of expenditure was no more than 172,000,000*l.* although loans to the amount of 509,000,000*l.* were raised—so that the difference between 172 and 509 millions was expended in paying the interest on the loans raised subsequently to 1792, and in paying the Sinking Fund—both which drains of treasure would have been prevented if war-taxes had been imposed in 1793.

The great sums of revenue, raised by war-taxes during the war, place it almost beyond all doubt, that if an Income-tax of five per

cent. had been imposed at the commencement of it, and if its rate per cent. had been increased, and such other war-taxes laid on as were laid on according as the expenses of the war increased, the whole expenditure of the wars of 1793 and 1803 might have been provided by them, and without having recourse to loans.

The average annual war expenses for the first five years of the war was 19,000,000*l.* When, however, it appears that an income-tax of five per cent. and other war-taxes produced 16,400,000*l.* in 1799, it is evident that the whole of this excess might have been obtained by war-taxes*.

With respect to the war of 1803, it can be made appear by the above account that the revenue actually paid into the Exchequer only fell short by 23,000,000*l.* of the whole expenditure of 808,500,000*l.* in that war.

The great mistake committed by Mr. Pitt

* According to Column No. 4, the revenue in 1799 was 35,600,000*l.* If from this is deducted 19,200,000*l.* for the peace expenditure, 16,400,000*l.* remains as the produce of war-taxes.

was postponing till 1798 the plan of war-taxes. The paying of the whole expense of the war by this plan had by that time become a much more difficult task to accomplish than it was in 1793 ; because, in the interval of five years between 1792 and 1798, 110 millions (of principal) had been borrowed, and taxes to the amount of 5,700,000*l.* * had been laid on and permanently mortgaged for paying the interest on this new debt †.

* Dr. Hamilton, 3d ed. p. 320.

† *Ib.* p. 246.

CHAPTER XXI.

LOANS IN NOMINAL CAPITAL.

THE loans raised prior to the war of 1793 were obtained for the most part on stock of the same amount as the sums lent, occasionally with a small bonus arising from profits of lotteries, or of a small terminable annuity *. But, in 1793, Mr. Pitt introduced two alterations in the plan of borrowing : 1st, That of borrowing in a nominal capital. 2dly, That of receiving biddings for the loans from loan-contractors. Since that time nearly all loans have been made in 3 per cent. stock. These changes have prevented the public from taking advantage of the fall of interest on money.

If it was the duty of a finance minister to

* Dr. Hamilton, see Tables III. V.—Appendix.

raise loans at the lowest possible interest for which money could be procured, he would be right in borrowing in a 3 per cent. stock, or even in one of a lower price. But other circumstances of serious importance should be attended to; for experience has fully established the fact, that whatever may, on the one hand, be gained by a low rate of interest at the time of making a loan, will, on the other, fall very far short of compensating the public for the loss which will afterwards follow. It is now evident, that whatever gain there was from savings of interest during the war, was but very small in comparison with what the loss has been by not being able to take advantage of the fall in the interest of money since the peace. If the millions of money which were borrowed between 1792 and 1815 had been borrowed in stock bearing 5, 6, or 7 per cent. according to the rate which the circumstances of the time of borrowing made unavoidable, the public would have since been able to reduce the charge 1, 2, or 3 per cent. on the amount of the sums which were bor-

rowed, in consequence of the reduced rate of interest on money.

It has been usual to suppose that the higher rate of interest which the 5 per cent. stock bore above that of the 3 per cent. stock, during the war, was a justification for raising loans in the latter: but a reference to the actual prices of these stocks, from 1792 to 1803, will shew that the annual average excess of interest on 5 per cent. stock was no more than 12*s.* 6*d.* per cent.* :

	3 per Cent.			Interest.			5 per Cent.			Interest.			Difference.		
				£.	s.	d.				£.	s.	d.	s. d.		
*1793 . 72	3	17	11	.	.	.	106	4	14	0	.	.	16	1	
1794 . 70	4	5	8	.	.	.	101	4	18	11	.	.	13	3	
1795 . 63	4	15	2	.	.	.	97	5	2	11	.	.	7	9	
1796 . 69	4	6	11	.	.	.	100	5	0	0	.	.	13	1	
1797 . 54	5	11	1	.	.	.	81	6	3	4	.	.	12	3	
1798 . 48	6	5	0	.	.	.	69	7	4	0	.	.	19	0	
1799 . 53	5	13	2	.	.	.	81	6	3	4	.	.	10	2	
1800 . 61	4	18	2	.	.	.	90	5	11	1	.	.	12	11	
1801 . 60	5	0	0	.	.	.	93	5	7	4	.	.	7	4	
1802 . 68	4	8	2	.	.	.	98	5	1	10	.	.	13	8	
													10)125	6	
													12	6	

The prices of the 3 and 5 per cent. stocks are those in the first week of January in each year, and have been taken from a Table in Sir John Sinclair's History of the Revenue, vol. ii. p. 28. The rates of interest have been taken from Fairman on Stocks.

and as the largeness of the sum of which any particular stock consists, has a considerable effect in bringing down the value of it, in consequence of the greater quantity of it that will be in the market for sale, had the loans been all made in this stock, this exceeding of interest would certainly have been still less.

The case in which the disadvantage of borrowing in a nominal capital at a low rate of interest is the most striking is, when funds can be provided for paying off the loans so borrowed ; and to shew this, it is necessary only to refer to the loan made in 1798, when 34,000,000*l.* of three per cent. stock was given for 17,000,000*l.* in money : for if this loan was now to be redeemed, it would be necessary to pay 95*l.* for every 50*l.* which was actually received. The debt created between 1775 and 1816, amounted in money to 417,851,817*l.* The capital that was funded amounted to 589,086,226*l.* Supposing, therefore, the three per cent. stock were to be at par, and that the debt was

then to be redeemed, the public would sustain a loss of 171,234,449%.*

Although the system of borrowing on an advance of capital at a low nominal interest is now universally allowed to be wrong, an opinion prevails that Government could not obtain loans of large amount in any other way ; but if the motives which induce persons to lend money are examined, there will appear to be no foundation for this opinion.

When private individuals are the parties, four things are requisite in order to effect a loan. 1st. A party wishing to borrow. 2nd. The solvency of the party. 3rd. A readiness to pay the market rate of interest, and 4th. A party possessed of money by which he seeks to obtain a revenue by this rate of interest being secured to him. When these four circumstances occur, a loan takes place as a matter of course, because it is for the mutual benefit of both parties that it should take place then.

* Dr. Hamilton, p. 246, 3rd edition.

When Government is the borrowing party,—as the question of solvency is at once settled, as the principal lent can always be obtained, and as Government is always ready to give something more than the market rate of interest,—it ought, instead of being compelled to borrow in this or that stock, to be able to choose its own arrangement for carrying into effect the main, and almost sole object of the lenders, namely, that of obtaining good interest for their money.

Although this conclusion is so self-evident, it is practically true, that, for some reason or other, the lenders have had their own way. The reason given by persons who have experience in these matters is, that the taste of the public is for lending in a low priced stock, and that the loan-contractors are governed by it; but this is not a true statement of the case, for the loan-contractors are governed by what is for their own peculiar benefit in making a loan, and not by the taste or interest of the subscribers to it, whom they represent; and it will be found, upon looking deeper into the case,

that the trammels in which Government has been placed, are owing to the change which was made by Mr. Pitt, in 1793, in the manner of raising loans; by which loan-contractors were first made parties to the business.

The manner of transacting loans prior to 1793 was by open subscription at the Bank of England. Terms were proposed by Government, and these were arranged so as to afford the subscribers a small additional rate of interest above the market rate; and the subscription was generally filled in a short time*.

In 1793, Mr. Pitt introduced the plan which has since been regularly acted upon, namely, that of the Chancellor of the Exchequer fixing the funds in which the loans are to be made, and giving public intimation that he is ready, on a certain day, to receive offers, and assign the loans, to the party who may be willing to propose the lowest terms. The consequence of this

* Dr. Hamilton, p. 64, 1st edition.

course of proceeding has necessarily been, that one individual, or one banking or mercantile firm, has become the representative of a body of subscribers, willing to take the loan on certain conditions, arranged among themselves ; but the individuals making the offers have had not only the interests of the subscribers to their lists to attend to, but their own special interests as contractors : these have sprung up from their subscribing large sums, with however no intention of paying them, but wholly with the view of making a profit by selling their new stock immediately after they are declared to have got the loan.

Under these circumstances, it becomes the interest of the contractor to deal in three per cent. stock in preference to any other, because, in consequence of its large amount in the bank books, it is always more marketable ; and hence it is, that, whatever may be the competition among these contractors, with respect to the rate of interest for which they are willing to make a loan, there is always a combination among them, founded

on their mutual interests, to force Government to make it in a low priced stock.

The whole, therefore, of the new scheme of dealing with loan-contractors, adopted by Mr. Pitt in 1793, for raising loans, may be set down to the fraudulence of ingenious reasoning on the part of great monied men, and to the influence of it in leading Mr. Pitt into their plans for securing to themselves great gains: and it is nothing more than an additional instance of their ingenuity in advancing their own interests at the expense of the public, to say that, in requiring loans to be made in three per cent. stock, they are governed by the taste of the public for lending their money in a low priced stock. The truth is, that the part of the public who are willing to lend their money to Government have no other object but to obtain a good rate of interest; and that, if they were allowed to subscribe to loans as formerly, the Government would be able, as formerly, to obtain loans for stock of the same denomination as that of the money actually lent.

This conclusion is borne out by the expe-

rience of the effects of the old mode of transacting loans ; for, notwithstanding they were almost all made from 1735 to the end of the American war, in real capital, the rate of interest seldom exceeded that which the price of the funds indicated as the market rate of money.

The loans raised in the seven years war amounted to 53,000,000*l.*, and the capital that was funded amounted to 54,230,000*l.* The loans raised in the American war amounted to 79,175,000*l.*, and the capital that was funded amounted to 111,075,000*l.**

* Dr. Hamilton, p. 169, 1st edition.

CHAPTER XXII.

TERMINABLE ANNUITIES.

THE making of loans in terminable annuities has this great advantage over all other plans, that the extinction of each loan is secured for a very moderate annual charge. By this plan, time does that necessarily for the public, which, if left to Sinking Fund schemes, might possibly never be done.

Although this plan of borrowing is accompanied with a higher rate of annual charge on the sum borrowed, than is necessary when borrowing in a perpetual annuity, this may be made very light by granting the annuity for a long period. The following extract, from Dr. Price's work on Annuities, fully explains the advantage of borrowing in Terminable Annuities, over the practice he refers to, as commonly

adopted. “ It is obvious that accumulating debt so rapidly, and mortgaging posterity for eternity, in order to pay the interest of it, must, in the end, prove destructive. Rather than go on in this way, it is absolutely necessary that no money should be borrowed, except in annuities which are to terminate within a given period. Were this practised, there would be a limit beyond which the national debt could not be increased, and time would do that necessarily for the public, which, if trusted to the conductors of its affairs, would never be done. I am sensible, indeed, that the present burdens of the state would, in this case, be increased, in consequence of the greater present interest which would be necessary to be given for money ; but I do not consider this as an objection of any weight : for let an annuity be for one hundred years, such an annuity is, to the present views of man, nearly the same with an annuity for ever ; and it is also nearly the same in calculation ; its value at four per cent. being twenty-four and a half years’ purchase ; and

therefore, only half a year's purchase less than the value of a perpetual annuity. Supposing, therefore, the public able to borrow money at four per cent. on annuities for ever, it ought not to give above 1*s.* 7*d.* per cent. more for money borrowed for one hundred years. But should it be obliged to give a quarter, or a half per cent. more, the additional burden derived from hence would not be such as could be very sensibly felt, and the advantages arising from the necessary annihilation of the public debt by time, would abundantly overbalance them*."

If all the loans which have been raised since the beginning of the war of 1739, had been borrowed in annuities for ninety-nine years, in ten years from this time the extinction of them would commence, and in eighty-four years the whole debt incurred, up to 1815, would be extinguished: more need not be said to prove the expediency of borrowing on Terminable Annuities.

The objection that is made to trying to raise money by this plan, is the same as that

* Dr. Price on Annuities, vol. i. p. 273.

made to borrowing in stocks of real capital, namely, a supposed unwillingness to lend money in any but a low priced perpetual stock. This has been shewn to be an objection resting on no solid foundation; and it is quite certain that if Government wished to raise loans on Terminable Annuities, it would be sure of obtaining them, (after, perhaps, some difficulty in counteracting the schemes and combinations which old loan-contractors would at first enter into to thwart it,) by having an open subscription, and offering a proper rate of interest, and by not being checked by the failure of the first attempts.

It is by making a proper use of Terminable Annuities, that the most easy, and at the same time, the most effectual means can be secured of redeeming a considerable part of the debt; and, therefore, if any Sinking Fund is to be kept up, the whole of it should be applied in commuting some of the annuities for ever, of which the debt consists, into Long Annuities *.

* See the Speeches of the Author in 1823, in the House

If the three per cent. stock comes to par, and if it should, therefore, be advisable to pay off the four per cent. stock, this opportunity should be taken for converting the 164,000,000*l.* of four per cent. stock into Annuities for ninety-nine years; and the three and a half per cent. stock, amounting to 81,000,000*l.*, should be converted in the same way. If this transaction were properly managed, the public would, at the same time, derive the advantage of a large reduction of annual charge on account of these stocks.

With respect to getting rid of the present great amount of unfunded debt, nothing would be more for the public advantage than paying it off gradually by giving Long Annuities for Exchequer Bills, instead of funding them in three per cent. stock.

of Commons, for an explanation of the operation of terminable annuities in redeeming debt.—Hansard's Debates, vol. viii. pp. 536. 548; and see Appendix, No. V.

CHAPTER XXIII.

ACCUMULATION OF CAPITAL.

THE power possessed by this country, and at all times in full activity, of annually accumulating several millions of new capital, is that peculiar property, which has brought it, in defiance of all kinds of difficulties, to its present state of abundant wealth; and which will probably lead to such a further increase of wealth, as will make appear, what now seem to be circumstances of depression and decline, when looked back upon some years hence, nothing more than groundless and frivolous apprehensions.

It has been shewn in the preceding pages, 1st, That it was the power of accumulation which carried the country successfully

through the financial efforts of the last war. 2dly. That it has since greatly spread and lightened the pressure of taxation. 3dly. That its continuing to work in the way it has, will hereafter place the country in such a condition, as to wealth, that provision may be made by war-taxes, for the expenses of future wars ; and it may be added, as what may, in all probability, be a fourth result of it, that in time it will afford the means of applying many millions annually, of real surplus revenue, to the redemption of the debt.

Although a great many circumstances have been pointed out in considerable detail, that are great obstructions in the way of the accumulation of capital ; such as the taxes on materials, on manufactures, and on food, the protecting system. and the excessive taxes on some principal articles of consumption, there are, besides, other parts of our commercial system, which are extremely injurious in diminishing the employment of capital and labour, and which ought to be removed : for instance, the protection given

to the shipping interest*; the usury laws; the monopoly of the East India Company; the Bank monopoly, and the prohibition of the exportation of machinery.

Each of these measures prevents the capital, labour, and skill of the nation, from being as productive as they would be, if they could be freely employed. But the manner in which this effect is occasioned,

* The shipping interest is protected in the following ways:

1. By a duty of 50*l.* per cent. on foreign ships, and by preventing any ship from continuing to enjoy the privilege of a British ship, after the same shall have been repaired in a foreign country, if the repairs exceed the sum of 20*l.* a ton. 6 Geo. IV. c. 189, § 6.

2. By a duty of 4*l.* 15*s.* a cwt. on foreign dressed hemp, and a duty of only 4*s.* 8*d.* on undressed hemp.

3. By preventing more than 50,000 tons of coals, culm and cinders, from being brought to London by inland navigation. 45 Geo. III. c. 128.

4. By a duty of 2*l.* 15*s.* a load on European timber, and a duty of 10*s.* a load on American timber.

5. By a duty of 8*l.* 8*s.* a cwt. on refined sugar when imported.

6. By preventing a considerable number of articles from being imported, called enumerated goods, except in British vessels, and by several other provisions in the navigation laws.

has been so fully explained in numerous works which have recently been published, that it would be merely to repeat what they contain, to say more upon the subject *. The vast importance of getting rid of every kind of impediment in the way of the accumulation of capital points out the expediency of losing no opportunity of removing all these obstructions.

A review of all that has been suggested, as wanting to place the finances and industry of the country on a proper footing, exhibits the consolatory fact, that it may be effected without any difficulty, beyond that of having to contend against the importunities of those persons who are interested in the monopoly and regulating system ; for there is nothing wrong, which may not be set right by the mere repeal of some erro-

* See the following works—Bentham on Usury, and the Edinburgh Review, vol. xxvii. p. 339, on Usury Laws.—“Free Trade and Colonization in India,” by Mr. Crawford.—“Observations on Paper Money, &c.” by Sir Henry Parnell, Bart.—Report of Select Committee of the House of Commons, on the Exportation of Machinery, Session 1825.

neous legislative enactment, and, therefore, all that is wanting, is to undo what has been badly done.

The statements in these pages which shew what have been, since 1825 (the supposed era of free trade), the quantity of foreign manufactures imported ; what the state is of the colonial trade, and what the existing restrictions are on shipping and navigation, when coupled with the actual state of the banking trade, of the trade with India, and of the usury laws, place beyond all doubt the fact that nothing can be more utterly groundless than the common notion that the changes in our commercial laws of 1825 established a free trade. The arguments and conclusions, therefore, of those persons who so confidently maintain that the nation has been ruined by free trade, are quite worthless, and the evils which exist must be traced to some other cause. Those individuals who so much fear a system of free trade, instead of assuming it to be wrong, should attempt to refute by a dispassionate analysis the arguments of its advocates, which are advanced

to shew that free trade affords the most extensive employment of capital and labour, and thus contributes to the greatest possible amount of annual productions, and to a continued and rapid accumulation of national wealth. The advocates of it desire to have its merits decided by the practical utility of the principle ; and they fearlessly refer to the facts belonging to every branch of trade, and to all experience for the confirmation of the soundness of their doctrines.

If once men were allowed to take their own way, they would very soon, to the great advantage of society, undeceive the world of its errors in restricting trade, and shew that the passage of merchandize from one state to another ought to be as free as air and water. Every country should be as a general and common fair for the sale of goods, and the individual or nation which makes the best commodity should find the greatest advantage. The distance and expense of carriage are sufficient reasons for any nation's preferring its own goods to those of others, and when these obstacles cease, the

stranger is preferable to our own countryman, otherwise domestic trade is injured instead of being favoured. For these reasons, trade claims liberty instead of those protections by which it has been discouraged.

Happily, the time, if not yet arrived, is rapidly approaching, when the desire to reduce the principles of trade to a system of legislative superintendence will be placed in the rank of other gone-by illusions. The removal of obstacles is all that is required of the legislature for the success of trade. It asks nothing from Government but equal protection to all subjects, the discouragement of monopoly, and a fixed standard of money. Restraints, regulation, inspection, have no success. All that is wanting is, to let loose the means this country has within itself of protecting and promoting its interests, to secure its future career in all kinds of public prosperity.

APPENDIX.

APPENDIX.

No. I.

ARTICLES,

*Being Materials of Manufactures, Buildings, Ship Buildings,
&c. &c.*

An Account of the Net Produce of the CUSTOMS DUTIES in the United Kingdom, as stated in the Finance Accounts for the Year 1827, on each of the following Articles; and showing the Rate of Duty on each Article:—

Articles.	Net Produce in the United Kingdom.		Rates of Duty.
	£.	s. d.	
Year 1827 :			
Annotto . . .	1,877	16 10	Flag Annotto, 2d. per lb. Other sorts, 1s. per lb.
Antimony, crude . . .	697	15 9	15s. per cwt.
Argol . . .	1,123	2 6	Of British Possessions, 1s. per cwt. Of other places, 2s. per cwt.
Ashes, Pearl and Pot . . .	5,777	13 2	Of British Possessions, free. Of other places, 6s. per cwt.
Barilla and Alkali . . .	79,419	9 11	If not containing a greater proportion of mineral alkali than 20 per centum, Until the 6th Jan. 1829 £8 10 per ton. From 5th Jan. 1829 to 6th Jan. 1830 . . . 6 10 per ton. From and after 5th Jan. 1830 . . . 5 0 per ton. If containing a greater proportion of alkali than 20 per cent. higher rates of duty, in proportion to the amount of such excess.
Bark, Oak, & Corktree . . .	29,138	4 4	8d. per cwt.
Brimstone . . .	5,243	8 1	Rough, 6d. per cwt. Refined 6s. per cwt. In flour, 9s. 9d. per cwt.
Borax . . .	2,737	2 3	Refined, 6d. per lb. Unrefined, 3d. per lb.
Bristles . . .	25,863	19 9	Dressed, 1s. per lb. Rough and in the tufts, and not sorted, 2½d. per lb. Sorted or arranged in colours, and not entirely rough & in the tufts, 3½d. per lb.
Cochineal . . .	4,162	13 11	Of any British Possessions, 2d. per lb. Of other places, 6d. per lb.
Cork . . .	20,390	5 3	8s. per cwt.

Articles.	Net Produce in the United Kingdom			Rates of Duty.
	£.	s.	d.	
Dye & Hard Woods, viz.:				
Boxwood . . .	2,179	1	9	Of British Possessions, 1 <i>l.</i> per ton. Of other places, 5 <i>l.</i> per ton.
Brazil & Zebra Wood	634	17	7	Brazil wood, 5 <i>l.</i> per ton. Zebra wood, 2 <i>l.</i> per ton.
Braziletto or Jamaica Wood . . .	100	14	5	16 <i>s.</i> 8 <i>d.</i> per ton.
Camwood . . .	479	18	8	15 <i>s.</i> per ton.
Cedar wood . . .	4,498	6	2	Of British Possessions, 10 <i>s.</i> per ton. Of other places, 2 <i>l.</i> 10 <i>s.</i> per ton.
Ebony . . .	169	19	9	Of any British Possession, and imported directly from thence, 15 <i>s.</i> per ton. Otherwise imported, 10 <i>l.</i> per ton. Green Ebony, of and from any British Possession, 3 <i>s.</i> per ton.
Fustic . . .	821	14	5	From any British Possession, 3 <i>s.</i> per ton. From other places, 4 <i>s.</i> 6 <i>d.</i> per ton.
Lignum Vitæ . . .	648	8	6	Of British Possessions, 10 <i>s.</i> per ton. Of other places, 2 <i>l.</i> per ton.
Logwood . . .	1,441	8	3	From any British Possession, 3 <i>s.</i> per ton. From other places, 4 <i>s.</i> 6 <i>d.</i> per ton.
Mahogany . . .	68,729	19	4	Of Bermuda or the Bahama Islands, and imported direct from thence, or imported direct from the Bay of Hon- duras, in a British ship cleared out from the port of Belize, 2 <i>l.</i> 10 <i>s.</i> From Jamaica, 4 <i>l.</i> per ton. Otherwise imported, 7 <i>l.</i> 10 <i>s.</i> per ton.
Nicaragua wood . . .	1,423	7	2	15 <i>s.</i> per ton.
Red or Guinea wood	3	1	4	15 <i>s.</i> per ton.
Barwood . . .	74	3	7	7 <i>s.</i> per ton.
Saunders, Red . . .	97	9	5	12 <i>s.</i> per ton.
Rosewood . . .	7,276	5	4	10 <i>s.</i> per ton.
Elephants' Teeth . . .	3,257	12	9	1 <i>l.</i> per cwt.
Feathers for Beds . . .	5,523	17	3	2 <i>l.</i> 4 <i>s.</i> per cwt.
Flax and Tow, and Co- dilla of Hemp & Flax	8,974	4	0	1 <i>d.</i> per cwt.
Furs . . .	21,276	9	0	Badger, 1 <i>s.</i> 6 <i>d.</i> each. Bear, from the British Possessions in America, 2 <i>s.</i> 6 <i>d.</i> each. — from other places, 4 <i>s.</i> 6 <i>d.</i> each. Beaver, from any British Possession in America, 4 <i>d.</i> each. — from other places, 8 <i>d.</i> each. Cat, from any British Possession in America, 3 <i>d.</i> each. — from other places, 6 <i>d.</i> each. Coney, 1 <i>s.</i> per 100. Ermine, 8 <i>d.</i> each. Fisher, from any British Possession in America, 6 <i>d.</i> each. — from other places, 1 <i>s.</i> each. Fitch, 3 <i>s.</i> 2 <i>d.</i> per dozen. Fox, from any British Possession in America, 4 <i>d.</i> each. — from other places, 8 <i>d.</i> each.

Articles.	Net Produce in the United Kingdom.			Rates of Duty.
	£.	s.	d.	
Furs,—(<i>continued</i>).				
				Hare, 1s. per 100.
				Leopard, 9s. 6d. each.
				Lion, 6s. each.
				Martin, from any British Possession in America, 3d. each.
				— from other places, 6d. each.
				Mink, from any British Possession in America, 2d. each.
				— from other places, 4d. each.
				— dressed, 2s. each.
				Mole, 6d. per dozen.
				Musquash, 1s. per 100.
				Nutria, 12s. 6d. per 100.
				Otter, from any British Possession in America, 1s. each.
				— from other places, 1s. 6d. each.
				Ounce, 7s. 6d.
				Panther, 9s. 6d. each.
				Raccoon, from any British Possession in America, 1d. each.
				— from other places, 2d. each.
				Sable, 8s. 4d. each.
				Squirrel, undressed, 11s. 6d. per 100.
				— tawed, 17s. 6d. per 100.
				— tails, 20l. per centum ad valorem.
				Swan, 1s. each.
				Tiger, 9s. 6d. each.
				Weasel, 4s. 9d. per 100.
				Wolf, from any British Possession in America, 1s. each.
				— from other places, 2s. each.
				— tawed, 17s. 6d.
				Wolverine, from any British Possession in America, 6d. each.
				— from other places, 1s. each.
				Unenumerated, undressed, 20l. per cent. ad valorem.
				— dressed 75l. per cent. ad valorem.
Galls	864	5	9	5s. per cwt.
Gums, viz.				
Animi and Copal	2,950	14	2	Rough, and in no way cleaned, 5d. per lb.
Arabic	9,075	1	8	Scraped, or in any way cleaned, 6d. per lb.
Guaiacum	673	17	3	From any British Possession, 6s. per cwt.
Lac, of all sorts	5,102	2	1	From other places, 12s. per cwt.
				From any British Possession, 3d. per lb.
				From other places, 1s. 10d. per lb.
				Cake-lac and Lac-lake, 10l. per cent. ad valorem.
				Lac-dye, Seed-lac, and Stick-lac, 5l. per cent. ad valorem.
Senegal	4,601	6	8	Shell-lac, 20l. per cent. ad valorem.
Tragacanth	1,055	12	0	From any British Possession, 6s. per cwt.
Hair, Horse	3,199	0	6	From other places, 12s. per cwt.
				1s. per lb.
				6d. per cwt. after 10 August 1828.

Articles.	Net Produce in the United Kingdom.			Rates of Duty.
	£.	s.	d.	
Hair, Human . . .	2,749	8	5	1s. per lb.
— of all other sorts	922	6	3	Camels, of any British Possession, free. — of other places, 1d. per lb. Cow, Ox, or Elk, 2s. 6d. per cwt. Goats, of any British Possession, free. — of any other place, 1d. per lb. Unenumerated, 5l. per cent. ad valorem. Dressed, 4l. 15s. per cwt. Undressed, of any British Possession, or of New Zealand, free. — of any other place, 4s. 8d. per cwt.
Hemp . . .	104,473	2	9	Dry, of any British Possession, 2/4 per cwt. — of other places, 4s. 8d. per cwt. Wet, of any British Possession, 1s. 2d. per cwt. — of other places, 2s. 4d. per cwt. Of the West Coast of Africa, not ex- ceeding 14lbs. each, 2s. 4d. per cwt.
Hides, not tanned or dressed . . .	26,104	18	5	Horse, Ox, or Cow, tanned, and not otherwise dressed, of any British Pos- session, 3d. per lb. —, of other places, 6d. per lb. —, cut or trimmed, of any British Possession, 4½d. per lb. —, of other places, 9d. per lb. Losh Hides, 1s. 8d. per lb. Muscovy or Russia, 15s. each.
—, tanned . . .	2,219	8	0	2s. 4d. per cwt. Of any British Possession, 3d. per lb. Of other places, 4d. per lb. Of any British Possession, 3d. per ton. Of other places, 1l. 10s. per ton. In rods, or drawn or hammered, less than ¾ inch square, 5s. per cwt. Cast, 10l. per centum ad valorem. Hoops, 1l. 3s. 9d. per cwt. Old, 12s. per ton. Ore, 5s. per ton. Pig, of any British Possession, 1s. 3d. per ton. — of other places, 10s. per ton. Wire, 1l. per cwt. Wrought, unenumerated, 20l. per centum ad valorem.
Horns, Horn-tips, and pieces of Horns . . .	814	10	9	Of any British Possession, 15s. 10d. per cwt. Of other places, 2l. 7s. 6d. per cwt.
Indigo . . .	31,378	12	8	11s. 1d. per cwt.
Iron in bars, or un- wrought . . .	21,431	0	1	2l. per ton.
— of other sorts . . .	805	5	5	4s. per cwt. Madder, 6s. per cwt. Madder-root, 1s. 6d. per cwt.
Isinglass . . .	3,752	4	3	5l. per centum, ad valorem.
Juniper Berries . . .	4,220	1	2	
Lead, Pig . . .	32	12	3	
—, Black . . .	1,302	12	6	
Madder and Madder-root	29,817	0	3	
Mother of Pearl Shells	502	10	9	

Articles.	Net Produce in the United Kingdom.			Rates of Duty.
	£.	s.	d.	
Oil, Olive . . .	35,767	7	5	8 <i>l.</i> 8 <i>s.</i> per tun.
— Palm . . .	12,239	11	3	2 <i>s.</i> 6 <i>d.</i> per cwt.
— Train, Spermaceti, and Blubber . . .	5,934	5	9	Of British fishing, 1 <i>s.</i> per tun. Of Foreign fishing, 26 <i>l.</i> 12 <i>s.</i> per tun.
Oker . . .	828	1	10	6 <i>s.</i> 9 <i>d.</i> per cwt.
Orchal and Orchelina . . .	685	7	1	3 <i>s.</i> per cwt.
Paper . . .	913	5	0	Brown Paper, 3 <i>d.</i> per lb. Unenumerated Paper, 9 <i>d.</i> per lb.
Pitch . . .	1,289	9	8	Of any British Possession, 9 <i>d.</i> per cwt. Of other places, 10 <i>d.</i> per cwt.
Platting of Chip & Straw . . .	3,394	16	7	Of Bast Cane, Chip, or Horsehair, 1 <i>l.</i> per lb. Of Straw, 17 <i>s.</i> per lb.
Quicksilver . . .	4,970	3	6	6 <i>d.</i> per lb.
Rags, &c. for making Paper . . .	2,026	11	9	5 <i>s.</i> per ton.
Saltpetre . . .	4,017	8	9	6 <i>d.</i> per cwt.
Seeds of all sorts (in- cluding Buck Wheat) . . .	166,604	10	2	Acorns, 1 <i>s.</i> per bushel. Aniseed, 3 <i>l.</i> per cwt. Buck Wheat, 14 <i>s.</i> per quarter until 15th July, 1828, from which date this article became subject to the Scale of Duties fixed by Act 9 Geo. IV. c. 60, as Corn. Burnet, 1 <i>l.</i> per cwt. Canary, 3 <i>l.</i> per cwt. Caraway, 1 <i>l.</i> 10 <i>s.</i> per cwt. Carrot, 9 <i>d.</i> per lb. Clover, Lucerne, Trefoil, and Grass Seeds of all sorts, 1 <i>l.</i> per cwt. Coriander, 15 <i>s.</i> per cwt. Cummin, 1 <i>l.</i> per cwt. Fennel, 9 <i>d.</i> per lb. Fenugreek, 9 <i>s.</i> 6 <i>d.</i> per cwt. Flax and Linseed, 1 <i>s.</i> per quarter. Forest & Garden, unenumerated, 6 <i>d.</i> per lb. Hemp, of any British Possession, 1 <i>s.</i> per quarter. — of other places, 2 <i>l.</i> per quarter. Leek and Onion, 1 <i>s.</i> 6 <i>d.</i> per lb. Millet, 11 <i>s.</i> 6 <i>d.</i> per cwt. Mustard, 8 <i>s.</i> per bushel. Parsley, 1 <i>d.</i> per lb. Peas for seed, 7 <i>s.</i> 6 <i>d.</i> per bushel. Piony, 6 <i>d.</i> per lb. Quince, 3 <i>s.</i> per lb. Rape, 10 <i>s.</i> per last. Tares, 10 <i>s.</i> per quarter. Worm, 1 <i>s.</i> 6 <i>d.</i> per lb. Unenumerated, 30 <i>l.</i> per centum, ad val 1 <i>s.</i> per cwt.
Shumac . . .	3,515	17	2	
Silk, raw, waste, knubs and husks . . .	15,608	2	7	1 <i>d.</i> per lb.
— thrown . . .	112,763	2	6	Not dyed, viz. Organzine and Crape, 5 <i>s.</i> per lb.

Articles.	Net Produce in the United Kingdom.			Rates of Duty.
	£.	s.	d.	
Silk, thrown . . . . .	.	.	.	Not dyed, viz. Tram, 3s. per lb. Singles, 2s. per lb. Dyed, viz. Organzine and Crape, 6s. 8d. per lb. Singles or Tram, 4s. per lb. Calf and Kid undressed, of any British Possession : Dry, 2s. 4d. per cwt. Wet, 1s. 2d. per cwt. Of other places : Dry, 4s. 8d. per cwt. Wet, 2s. 4d. per cwt. Calf tanned and not otherwise dressed, 9d. per lb. —, cut or trimmed, 1s. 2d. per lb. —, tawed, curried, or in any way dressed, 1s. per lb. Deer of any British Possession in Ame- rica, 1s. per 100. — of other places, 2d. each. —, Indian half dressed, 8d. each. —, undressed or shaved, 4d. each. Dog, 10d. per dozen. Dogfish, 5s. 2d. per dozen. Elk, 1s. each. Goat, 2s. 10d. per dozen. —, tanned, 2l. per dozen. Kid, 1s. 6d. per 100. —, dressed, 10s. per 100. —, dressed and dyed, or coloured, 15s. per 100. Lamb, 1s. 6d. per 100. —, tanned or tawed, 10s. per 100. —, tanned or tawed, and dyed or co- loured, 15s. per 100. —, dressed in oil, 4l. per 100. Seal, of British taking, and direct from Newfoundland, 1d. each. —, of Foreign taking, 1s. each. —, otherwise imported, 3d. each. Sheep, 1s. per dozen. —, tanned or tawed, 2l. per 100. —, dressed in oil, 4l. per 100. Unenumerated, undressed, 20l. per cent. ad valorem. —, tanned, &c. 75l. per centum, ad valorem. 6d. per lb. Of any British Possession in the East Indies : Hard, 1l. 8s. per cwt. Soft, 1l. 3s. per cwt. Of other places : Hard, 4l. 10s. per cwt. Soft, 3l. 11s. 3d. per cwt.
Skins, not being Furs	21,034	16	6	
Smalts	12,517	15	2	
Soap, hard and soft	1,506	11	5	

Articles.	Net Produce in the United Kingdom			Rates of Duty.	
	£.	s.	d.		
Spelter	3,190	8	0	10s. per cwt.	
Stones, viz. Marble blocks	845	2	7	1s. per solid foot.	
Tallow	188,557	15	3	From any British Possession not in Europe, 1s. per cwt.	
				From other places, 3s. 2d. per cwt.	
Tar	9,505	9	4	Of any British Possession, 12s. per last.	
				Of other places, 15s. per last.	
				Of the British Possessions in America, and imported directly from thence.	Otherwise imported.
				£. s. d.	£. s. d.
Timber, viz. Balks and Ufers	1,096	4	0	Under 5 inches square, and under 24 ft. long, per 120	3 5 0 18 2 7
				— and 24 ft. long, and upwards, per 120	4 17 6 27 0 0
				Five inches square, or upwards, as Fir Timber :—	
Battens and Batten Ends	111,013	6	7	Battens, 6 and not exceeding 16 ft. long, and not above $2\frac{3}{4}$ in. thick, per 120	1 0 0 10 0 0
				—, exceeding 16, and not exceeding 21 feet long, and not above $2\frac{3}{4}$ inches thick, per 120	1 3 0 11 10 0
				Battens, exceeding 21 and not exceeding 45 ft. long, or if exceeding $2\frac{3}{4}$ in. thick, per 120	2 0 0 20 0 0
				— exceeding 45 ft. long, or $2\frac{3}{4}$ in. thick, per 120	2 0 0 6 0 0
					& 2l. 10s. per load.
				Batten Ends, under 6 ft. long, and not exceeding $2\frac{3}{4}$ in. thick, per 120	0 7 6 3 0 0
				— and exceeding $2\frac{3}{4}$ in. thick, per 120	0 15 0 6 0 0
Boards, Clap and Pipe	834	4	3	Clap Boards, per 120	0 12 4 6 2 0
				Pipe Boards, above $5\frac{1}{4}$ and not above 8 ft. long, and under 8 in. square, per 120	0 19 6 9 3 0
				— exceeding 8 ft. long, and under 8 in. square, per 120	0 19 6 18 6 0
Boards, Paling, not above $1\frac{1}{2}$ in. thick	382	8	2	Not exceeding 7 ft. long, per 120	0 5 0 2 0 0

Articles.	Net Produce in the United Kingdom.			Rates of Duty.			Otherwise imported.	
	£.	s.	d.	Of the British Possessions in America, and imported direct- ly from thence.				
Timber—(continued)— viz.								
Boards, Paling, not above 1½ in. thick	382	8	2	Exceeding 7 and not ex- ceeding 12 ft. long, per 120	0	10	0	4 0 0
Deals.	634737	18	7	Six and not above 16 ft. long, and not exceeding 3¼ in. thick, per 120	2	0	0	19 0 0
				Above 16 and not above 21 ft. long, and not ex- ceeding 3¼ in. thick, per 120	2	10	0	22 0 0
				Above 21 and not above 45 ft. long, and not above 3¼ in. thick, per 120	0	0	0	44 0 0
				Above 45 ft. long, or above 3¼ in. thick, per 120	0	0	0	6 0 0 & 2 <i>l.</i> 10 <i>s.</i> per load.
				Six and not above 21 ft. long, and exceeding 3¼ in. thick, per 120	4	0	0	—
				Exceeding 21 ft. long, and not exceeding 4 in. thick, per 120	5	0	0	—
				Exceeding 21 ft. long, and exceeding 4 in. thick, per 120	10	0	0	—
				For the mines: 8 and not above 10 ft. long, and not exceeding 1½ in. thick, per 120	0	0	0	8 2 6
Deal Ends, under 6 feet long	32820	18	4	Under 6 ft. long, and not exceeding 3¼ in. thick, per 120	0	15	0	6 0 0
				— and exceeding 3¼ in. thick, per 120	1	10	0	12 0 0
Firewood	2913	5	5	The fathom, 6 ft. wide and 6 ft. high	0	0	10	0 16 0
Fir Quarters	3520	14	2	Under 5 in. square, and under 24 ft. long, per 120	3	5	0	18 2 7
				— and 24 ft. long, or upwards, per 120	4	17	6	27 0 0
				5 inches square, or upwards, as Fir Timber:				
Handspikes	660	15	0	Under 7 ft. long, per 120	0	2	6	2 0 0
				7 ft. long, or upwards, per 120	0	5	0	4 0 0
Knees of Oak	1262	16	4	Under 5 in. square, per 120	0	2	0	0 10 0
				5 and under 8 in. square, per 120	0	15	0	4 0 0

Articles.	Net Produce in the United Kingdom.			Rates of Duty.			Of the British Possessions in America, and imported directly from thence.			Otherwise Imported.		
	£.	s.	d.				£.	s.	d.	£.	s.	d.
Timber—(continued)— viz.												
Knees of Oak				8 in. square, or upwards,								
				per load			0	5	0	1	6	0
Lathwood	35821	8	7	Under 5 ft. long, per fathom			0	15	0	4	5	0
				5 and under 8 ft. long, do.			1	5	0	6	16	0
				8 and under 12 ft. long, do.			1	5	0	10	4	0
				12 ft. long, or upwards, do.			1	5	0	13	12	0
Masts and Spars	21464	16	7	Masts, Yards, and Bowsprits, viz:								
				6 and under 8 in. in dia-								
				meter, each			0	1	6	0	8	0
				8 and under 12 in. in dia-								
				meter, each			0	4	0	1	2	0
				12 in. in diameter, or up-								
				wards, per load			0	10	0	2	15	0
				Spars under 4 in. in dia-								
				meter, and under 22 ft.								
				long, per 120			0	9	0	2	8	0
				— and 22 ft. long or up-								
				wards, per 120			0	16	0	4	5	0
				— 4 and under 6 in. in								
				diameter, per 120			1	15	6	9	0	0
Oak Plank	22752	12	3	2 in. thick or upwards, per								
				load			0	15	0	4	0	0
Oars	1222	2	6	Per 120			0	19	6	14	19	3
Staves	50139	5	11	Not exceeding 36 in. long,								
				per 120			0	2	0	1	3	0
				Above 36, and not exceed-								
				ing 50 in. long, per 120 .			0	4	0	2	6	0
				Above 50, and not exceed-								
				ing 60 in. long, per 120 .			0	6	0	3	0	0
				Above 60, and not exceed-								
				ing 72 in. long, per 120 .			0	8	0	4	4	0
				Above 72 in. long, per 120			0	10	0	4	16	0
N.B.—Staves of the British Possessions in America, not exceeding 1½ inch thick, are chargeable with one-third part only of the above rates.												
Fir Timber, 8 in. square or upwards	575452	4	4	Per load			0	10	0	2	15	0
Oak Timber, ditto	30102	9	11	Per load			0	10	0	2	15	0
Unenumerated Timber, ditto	7880	0	7	Per load			0	5	0	1	8	0
Wainscot Logs, do.	13270	14	1	Per load			0	12	0	2	15	0
Teakwood	8690	17	4	Of any British Possession in Africa, 10s. per load.								
				For ship-building—of the East Indies, New South Wales and dependencies, or New Zealand—free.								
				Otherwise imported, 1½ 10s. per load.								

Articles.	Net Produce in the United Kingdom.		Rates of Duty.
	£.	s. d.	
Tortoiseshell, unmanu- factured . . .	1673	3 0	From any British Possession, 6 <i>d.</i> per lb. From other places, 2 <i>s.</i> per lb.
Turmeric . . .	867	8 6	From any British Possession, 2 <i>s.</i> 4 <i>d.</i> per cwt. From other places, 10 <i>s.</i> per cwt.
Turpentine, common .	65,566	18 1	Not of greater value than 12 <i>s.</i> per cwt., 4 <i>s.</i> 4 <i>d.</i> per cwt.
Valonia . . .	7058	9 4	1 <i>s.</i> 6 <i>d.</i> per cwt.
Verdigris . . .	4414	6 0	2 <i>s.</i> per lb.
Vermilion . . .	299	9 4	1 <i>s.</i> per lb.
Wax, Bees . . .	12,596	3 4	From any British Possession, unbleached, 10 <i>s.</i> per cwt. bleached, 1 <i>l.</i> per cwt.
Whalefins . . .	769	14 8	From other places, unmanufactured, 3 <i>l.</i> 6 <i>s.</i> 6 <i>d.</i> per cwt. White or manufactured, 6 <i>l.</i> 3 <i>s.</i> 6 <i>d.</i> per cwt.
Wool, Cotton . . .	332,355	11 11	Of British fishing, 1 <i>l.</i> per ton. Of Foreign fishing, 95 <i>l.</i> per ton. From any British Possession, 4 <i>d.</i> per cwt.
Wool, Sheep and Lambs . . .	106,286	4 2	From other places, 6 <i>l.</i> per centum ad va- lorem. Of any British Possession, free. Of other places, not of the value of 1 <i>s.</i> per lb., $\frac{1}{2}$ per lb.
Yarn, Linen, raw . .	1668	13 6	of the value of 1 <i>s.</i> per lb. and upwards, 1 <i>d.</i> per lb.
— Mohair and Camels.	222	17 9	Red wool, 6 <i>d.</i> per lb.
Zaffre . . .	990	2 9	1 <i>s.</i> per cwt. 1 <i>d.</i> per lb.
Acid, Boracic . . .	516	7 8	1 <i>d.</i> per lb.
Alum . . .	9	9 6	4 <i>d.</i> per lb.
— Rock . . .	53	4 7	17 <i>s.</i> 6 <i>d.</i> per cwt.
Amber, rough . . .	35	7 1	11 <i>s.</i> 8 <i>d.</i> per cwt.
Aquafortis . . .	.	.	1 <i>s.</i> 8 <i>d.</i> per lb.
Arsenic, white . . .	156	12 9	14 <i>s.</i> 3 <i>d.</i> per cwt.
— of other sorts . .	281	3 8	14 <i>s.</i> 3 <i>d.</i> per cwt.
Ashes, Soap, Weed, or Wood . . .	861	18 5	18 <i>s.</i> 8 <i>d.</i> per cwt.
Asphaltum . . .	496	5 3	1 <i>s.</i> 8 <i>d.</i> per cwt.
Bark, Extract of, for tanning	0	10 9	Of any British Possession, 5 <i>d.</i> per lb. Of other places, 10 <i>d.</i> per lb.
— not enumerated, for tanning or dyeing .	170	4 5	3 <i>s.</i> per cwt.
Basket Rods . . .	3	16 1	Of any British Possession, 10 <i>l.</i> per cent. ad valorem.
Bell-metal . . .	8	10 8	Of other places, 20 <i>l.</i> per cent. ad valorem.
Bricks . . .	540	0 5	3 <i>s.</i> 2 <i>d.</i> per bundle.
Bulrushes . . .	960	19 9	1 <i>l.</i> 2 <i>s.</i> 6 <i>d.</i> per 1000.
Chalk unmanufactured	1	11 0	12 <i>s.</i> per load of 63 bundles. 20 <i>l.</i> per centum ad valorem.

Articles.	Net Produce in the United Kingdom.			Rates of Dnty.
	£.	s.	d.	
Coals	0	6	11	2 <i>l.</i> per ton.
Cobalt	287	8	4	3 <i>d.</i> per lb.
Copper Ore	5	3	1	Of the British Possessions within the limits of the East India Company's Charter, 1 <i>s.</i> per cwt.
— old, for re-ma- nufacture	389	15	2	Of other places, 12 <i>s.</i> per cwt.
— unwrought	0	18	9	Of the British Possessions within the said limits, 9 <i>s.</i> 2 <i>d.</i> per cwt.
Copperas, blue or green . . . .	.	.	.	Of other places, 15 <i>s.</i> per cwt.
— white	351	8	10	Of the British Possessions within the said limits, 9 <i>s.</i> 2 <i>d.</i> per cwt.
Coral in fragments	6	5	6	Of other places, 14 <i>l.</i> 7 <i>s.</i> per cwt.
— whole, unpolished	2	17	1	5 <i>s.</i> per cwt.
Crystal, rough	89	13	0	12 <i>s.</i> per cwt.
Down	142	14	10	1 <i>s.</i> per lb.
Dye & Hard woods, viz.	.	.	.	5 <i>s.</i> 6 <i>d.</i> per lb.
Beef-wood from N.S.W. . . .	.	.	.	20 <i>l.</i> per centum ad valorem.
Cocus-wood	6	5	10	1 <i>s.</i> 3 <i>d.</i> per lb.
Olive-wood	0	8	6	5 <i>s.</i> per ton.
Sapan-wood	14	5	1	Of any British Possession, 3 <i>s.</i> per ton.
Emery Stones	1,096	19	1	Of any British Possession, 12 <i>s.</i> 4 <i>d.</i> pr ton.
Enamel	0	12	7	Of other places, 8 <i>l.</i> 9 <i>s.</i> 6 <i>d.</i> per ton.
Glue	174	0	11	15 <i>s.</i> per ton.
Gypsum	7	6	4	2 <i>s.</i> per cwt.
Heath for Brushes . . . .	.	.	.	7 <i>s.</i> 2 <i>d.</i> per lb.
Jet	0	2	0	12 <i>s.</i> per cwt.
Lamp-black	3	14	10	From any British Possession, 1 <i>s.</i> 3 <i>d.</i> pr ton
Latten, black . . . .	.	.	.	Of other places, 1 <i>l.</i> 11 <i>s.</i> 8 <i>d.</i> per ton.
— shaven . . . .	.	.	.	9 <i>s.</i> 2 <i>d.</i> per cwt.
Lead, Chromate of . . . .	.	.	.	2 <i>s.</i> per lb.
— Ore	538	3	8	3 <i>l.</i> 6 <i>s.</i> 6 <i>d.</i> per cwt.
— Red	2	9	7	8 <i>s.</i> per cwt.
— White	19	7	3	12 <i>s.</i> per cwt.
Leaf Gold	0	8	1	2 <i>s.</i> per lb.
— Metal, not Gold	823	10	7	1 <i>l.</i> 5 <i>s.</i> per ton.
Millboards	0	17	8	6 <i>s.</i> per cwt.
Moss Rock, for Dyers' use	158	17	7	6 <i>s.</i> per cwt.
Nitre; viz. Cubic Nitre . . . .	.	.	.	3 <i>s.</i> per 100 leaves.
Nuts, Castor . . . .	.	.	.	3 <i>d.</i> per packet of 250 leaves.
Oakum	490	19	9	3 <i>l.</i> 8 <i>s.</i> 2 <i>d.</i> per cwt.
Oil of Cocoa Nut	497	9	10	15 <i>s.</i> per ton.
— of Rapeseed, Linseed, and Hempseed	16	10	2	6 <i>d.</i> per cwt.
— of Turpentine	0	8	0	From any British Possession, 6 <i>d.</i> pr cwt.
— of Vitriol . . . .	.	.	.	From other places, 2 <i>d.</i> per lb.
Ore, not otherwise enu- merated	593	12	5	4 <i>s.</i> 9 <i>d.</i> per cwt.

Articles.	Net Produce in the United Kingdom.		Rates of Duty.
	£.	s. d.	
Orpiment . . .	.	.	1 <i>l.</i> 8 <i>s.</i> 6 <i>d.</i> per cwt.
Orsedew . . .	36	8 11	6 <i>d.</i> per lb.
Parchment . . .	0	10 0	10 <i>s.</i> per dozen sheets.
Pasteboards . . .	1	9 10	3 <i>l.</i> 8 <i>s.</i> 2 <i>d.</i> per cwt.
Plaster of Paris . . .	16	2 9	1 <i>s.</i> per cwt.
Platina . . .	.	.	1 <i>s.</i> per oz.
— Ore of . . .	28	12 10	5 <i>l.</i> per centum ad valorem.
Polishing Rushes . . .	2	13 0	20 <i>l.</i> per centum ad valorem.
Pumice Stones . . .	290	13 6	1 <i>l.</i> 13 <i>s.</i> 4 <i>d.</i> per ton.
Rosin . . .	8	2 3	Of the British Possessions, 3 <i>s.</i> 2 <i>d.</i> per cwt.
Saccharum Saturni . . .	.	.	Of other places, 4 <i>s.</i> 9 <i>d.</i> per cwt.
Sal Ammoniao . . .	.	.	10 <i>d.</i> per lb.
Scaleboards . . .	.	.	3 <i>d.</i> per lb.
Seahorse Teeth . . .	77	1 1	3 <i>l.</i> 8 <i>s.</i> 2 <i>d.</i> per cwt.
Stones, Flint, for potters — for lithography . . .	115	10 9	3 <i>l.</i> 4 <i>s.</i> per cwt. 2 <i>s.</i> 6 <i>d.</i> per ton.
Tarras . . .	81	6 3	3 <i>s.</i> per cwt.
Teasles . . .	115	3 7	1 <i>s.</i> 3 <i>d.</i> per bushel.
Terra Japonica . . .	6	15 4	1 <i>s.</i> per 1,000.
— Sienna . . .	758	8 10	3 <i>s.</i> per cwt.
— Umbra . . .	455	6 1	1 <i>l.</i> 11 <i>s.</i> 8 <i>d.</i> per cwt.
Tiles . . .	8	18 2	12 <i>s.</i> per cwt.
Timber, Anchor Stocks . . .	38	12 2	Dutch tiles, 15 <i>l.</i> per centum ad valorem.
Tin . . .	1	11 3	Other sorts, 50 <i>l.</i> per ditto ditto.
Varnish unenumerated . . .	1,895	6 8	Of the British Possessions in America, 10 <i>d.</i> each.
Vellum . . .	.	.	Of other parts, 8 <i>s.</i> 4 <i>d.</i> each.
Weld . . .	20	8 7	2 <i>l.</i> 10 <i>s.</i> per cwt.
Woad . . .	31	0 8	30 <i>l.</i> per centum ad valorem.
Wool, Beaver . . .	.	.	7 <i>s.</i> 2 <i>d.</i> per skin.
— Coney . . .	143	3 8	1 <i>s.</i> per cwt.
— Hares . . .	3	0 5	3 <i>s.</i> per cwt.
Yarn, Cable . . .	0	5 9	1 <i>s.</i> 7 <i>d.</i> per lb.
— Worsted . . .	0	18 3	Cut and combed, 4 <i>s.</i> 9 <i>d.</i> per lb.

Note.—The rates of duty affixed to the various articles in this Return are those to which they are subject in Great Britain. The same rates are chargeable in Ireland in every instance, except in the case of certain descriptions of Wood; namely, Deals and Battens, the duties on which are in Ireland regulated by a different scale from that established in Great Britain.

Coals and Culm, coast- ways	838,508	8 5	Coals brought coastways into any port in England . . per ton . . . 4 <i>s.</i>
			per chaldron 6 <i>s.</i>
			—into any port in Wales, pr ton 1 <i>s.</i> 8 <i>d.</i>
			—into any port in Ireland, per ton 1 <i>s.</i> 7½ <i>d.</i>

Articles.	Net Produce in the United Kingdom,			Rates of Duty.
	£.	s.	d.	
Slates, coastways .	39,271	1	8	<p>If delivered by tale, various rates, from 6s. to 35s. 6d. per 1,000, in proportion to the size thereof.</p> <p>If delivered by weight, viz. :</p> <p>Queen, or size rag and slab slates, 13s. per ton.</p> <p>Imperial or milled slates, 15s. 6d. pr ton.</p> <p>Block slates and Westmorland rag slates, 14s. 6d. per ton.</p> <p>Slates not otherwise enumerated, 25l. per centum ad valorem.</p> <p>Scotch slates, 7s. 6d. per 1,000, or at the option of the importer, the duties above-mentioned.</p>
	4,153,070	5	9	

Inspector General's Office,
Custom House, London,
14 April, 1829.

WILLIAM IRVING,
Inspector General of Imports and Exports.

ARTICLES

Being Materials of Manufactures, Building, &c.

An Account of the Net Produce of the EXCISE DUTIES in the United Kingdom, as stated in the Finance Accounts for the Year 1827, on each of the following Articles, being Materials of Manufactures, Building, &c. showing the Rate of Duty on each Article.

Net Produce.			Rates of Duty.		
£.	s.	d.		s.	d.
Bricks and Tiles	368,538	14 4½	Bricks	Common	5 10 pr 1000
				Large	10 0 "
				Polished	12 10 "
				Ditto, exceeding 10 inches long and 5 wide, as paving tiles.	
			Tiles	Plain	5 8 pr 1000
Pan or Ridge	12 10 "				
Paving (small)	2 5 pr 100				
Ditto (large)	4 10 "				
All other	4 10 pr 1000				
Hides and Skins	386,039	19 7¼	Tanned	All hides whatsoever	0 1½ pr lb.
				Calf-skins, kips, hog and dog skins	0 1¾ "
				Goat skins, with shomack to resemble Spanish leather	4 0 pr doz

Net Produce.			Rates of Duty.		
£.	s.	d.		s.	d.
Hides and Skins (continued.)			Tanned	Sheep-skins for roans after the nature of Spa- nish leather	2 3 „
				Sheep and lamb-skins for gloves and bazils	0 1½ pr lb.
				Other skins, & all parts & pieces of hides & skins	0 6 „
				Hides of horses, mares and geldings	1 6 pr hide
				Ditto of steers or cows, or any other hides, except horse hides, &c.	3 0 „
			Tawed	Calve-skins, kips, & seal- skins	0 1½ pr lb.
				Slink Calve-skins with hair	3 0 pr doz.
				Ditto, ditto, without hair, and dog-skins	1 0 „
				Buck and doe-skins	0 6 pr lb.
				Goat and beaver skins	2 0 pr doz.
				Other skins, & all parts & pieces of hides & skins	0 6 pr lb.
				Buck, deer, and elk-skins	0 6 „
				Sheep and lamb-skins	0 3 „
			Dressed in Oil.	All other hides	0 3 „
				All other hides and skins, and parts and pieces of hides and skins	0 6 „
				Vellum	3 6 pr doz.
				Parchment	1 9 „
Soap	1,199,409	18 0¾	{	Hard Soap	0 3 pr lb.
Starch	84,897	4 6		Soft Soap	0 1¾ „
				Starch	0 3¼ „
	<u>£2,038,885</u>	<u>16 6½</u>			

Excise Office, London, }
17th February, 1829. }

J. EWBank,
General Accountant.

ABSTRACT of the NET PRODUCE of the CUSTOMS and EXCISE DUTIES in the United Kingdom, in the year 1827, upon various Articles specified in the two preceding Accounts, being Materials of Manufactures, Buildings, Ship-Building, &c.

	£.	s.	d.
CUSTOMS	4,153,070	5	9
EXCISE	2,038,885	16	6½
	<u>£6,191,956</u>	<u>2</u>	<u>3½</u>

APPENDIX. — No. II.

CUSTOMS AND EXCISE DUTIES.

An Account of the Quantities of the following Articles which have paid the DUTIES of CUSTOMS and EXCISE, for Home Consumption ; stating the Rate of Duty paid to the Customs and Excise, and the total of both ; also, the total Net Amount of Revenue received on each Article, in each Year, since the Year 1789 :—

TOBACCO in Great Britain and Ireland ;
FOREIGN WINES in Great Britain and Ireland ;
FOREIGN SPIRITS in Great Britain ;
SUGAR in Great Britain ;
TEA in Great Britain ;
COFFEE in Great Britain ; and
GLASS in Great Britain.

ALSO,

Similar Accounts of SPIRITS made in Ireland and Scotland,
since the Year 1820.

TOBACCO,

RATES of DUTY per <i>lb.</i> on						
Years.	Quantities re- tained for Home Consumption.	NET REVENUE			CUSTOMS.	
		of			AMERICAN.	Of the Dominions of Spain and Portugal.
		Customs and Excise.				
	<i>lbs.</i>	£.	s.	<i>d.</i>		
1789	8,152,185	408,037	4	1	1/3	3/6
1790	8,960,224	512,383	7	1	6 <i>d.</i>	1/6
1791	9,340,875	585,966	9	1	—	—
1792	8,979,221	582,096	7	7	—	—
1793	8,617,967	547,217	14	4	—	—
1794	9,723,536	606,262	12	10	—	—
1795	10,972,368	659,989	3	4	—	—
1796	10,047,843	755,451	15	1	.	.
1797	9,822,439	813,027	16	2	6 $\frac{6}{20}$ <i>d.</i>	1/6 $\frac{18}{20}$
1798	10,286,741	867,302	14	0	6 $\frac{12}{20}$ <i>d.</i>	1/7 $\frac{3}{20}$
1799	10,993,113	799,369	14	2	—	—
1800	11,796,415	987,110	8	8	—	—
1801	10,514,998	923,855	3	5	6 $\frac{6}{20}$ <i>d.</i>	1/6 $\frac{18}{20}$
1802	12,121,278	928,678	9	1	6 $\frac{33}{20}$ <i>d.</i>	1/7 $\frac{13}{20}$
1803	12,589,570	1,028,563	16	1	6 $\frac{3}{4}$ <i>d.</i>	1/8 $\frac{1}{4}$
1804	12,254,494	1,060,319	18	0	7 $\frac{1}{2}$ <i>d.</i>	1/10 $\frac{1}{2}$
1805	12,656,471	1,088,821	4	5	7 $\frac{13}{20}$ <i>d.</i>	1/10 $\frac{3}{20}$
1806	12,435,035	1,185,830	14	1	.	.
1807	12,432,994	1,336,542	17	9	—	—
1808	12,876,119	1,448,296	3	7	—	—
1809	13,054,870	1,325,154	5	7	.	7 $\frac{13}{20}$ <i>d.</i>
1810	14,108,193	1,599,376	18	9	—	—
1811	14,923,243	1,701,848	8	2	—	—
1812	15,043,533	1,679,912	2	2	.	.
1813	13,648,245	{ Customs Records destroyed. }			9 $\frac{3}{16}$ <i>d.</i>	9 $\frac{3}{16}$ <i>d.</i>
1814	10,503,917	1,581,684	12	9	—	—
1815	13,207,192	1,764,487	7	10	1/	1/
1816	12,815,808	2,035,109	2	8	—	—
1817	13,593,089	2,158,500	3	11	—	—
1818	13,688,437	2,173,866	19	2	—	—
1819	12,911,285	2,285,045	2	10	Repealed from 5 July, 1819	
1820	13,016,562	2,610,972	7	9	—	—
1821	12,983,198	2,600,415	7	8	—	—
1822	12,970,566	2,599,155	15	1	—	—
1823	13,418,554	2,695,009	15	1	—	—
1824	13,083,094	2,627,955	12	6	—	—
1825	14,510,555	2,530,617	6	3	3/	5/
1826	13,784,370	2,077,875	14	7	.	3/
1827	14,704,655	2,223,340	18	4	—	—
1828	14,540,368	2,198,142	18	2	—	—

GREAT BRITAIN.

UNMANUFACTURED TOBACCO.

EXCISE.		TOTAL.		Years.
AMERICAN.	Of the Dominions of Spain and Portugal.	AMERICAN.	Of the Dominions of Spain and, Portugal.	
Nil.	Nil.	1/3	3/	1789
9d.	2/	1/3	3/6	1790
—	—	—	—	1791
—	—	—	—	1792
—	—	—	—	1793
—	—	—	—	1794
—	—	—	—	1795
1/1	3/	1/7	4/6	1796
. . .	. . .	1/7 $\frac{2}{10}$	4/6 $\frac{3}{20}$	1797
. . .	. . .	1/7 $\frac{1}{20}$	4/7 $\frac{4}{20}$	1798
—	—	—	—	1799
—	—	—	—	1800
. . .	. . .	1/7 $\frac{6}{20}$	4/6 $\frac{2}{20}$	1801
. . .	. . .	1/7 $\frac{3}{20}$	4/7 $\frac{1}{20}$	1802
. . .	. . .	1/7 $\frac{1}{4}$	4/8 $\frac{1}{4}$	1803
. . .	. . .	1/8 $\frac{1}{2}$	4/10 $\frac{1}{2}$	1804
. . .	. . .	1/8 $\frac{1}{2}$	4/10 $\frac{1}{2}$	1805
1/7	3/6	2/2 $\frac{1}{2}$	5/4 $\frac{3}{20}$	1806
—	—	—	—	1807
—	—	—	—	1808
. . .	. . .	2/2 $\frac{1}{2}$	4/1 $\frac{3}{20}$	1809
—	—	—	—	1810
—	—	—	—	1811
1/9	3/10 $\frac{1}{4}$	2/4 $\frac{1}{2}$	4/5 $\frac{8}{20}$	1812
1/11	4/2 $\frac{1}{2}$	2/8 $\frac{3}{8}$	4/11 $\frac{1}{8}$	1813
—	—	—	—	1814
2/2	4/5 $\frac{1}{2}$	3/2	5/5 $\frac{1}{2}$	1815
—	—	—	—	1816
—	—	—	—	1817
—	—	—	—	1818
4/	6/	4/	6/	1819
—	—	—	—	1820
—	—	—	—	1821
—	—	—	—	1822
—	—	—	—	1823
—	—	—	—	1824
{ Transferred to Customs from }		3/	5/	1825
{ 5 April, 1825. }		3/	3/	1826
—	—	—	—	1827
—	—	—	—	1828

TOBACCO . .

Years.	Quantities Entered for Home Consumption.	NET REVENUE of CUSTOMS and EXCISE.		
		£.	s.	d.
1789 . .	<i>lbs.</i> 2,765,441	128,704	8	4
1790 . .	2,900,437	133,195	18	10
1791 . .	2,549,043	117,420	0	2
1792 . .	1,767,581	80,693	4	5
1793 . .	5,568,857	125,844	17	1
1794 . .	9,426,211	193,158	10	7
1795 . .	7,874,409	215,719	9	0
1796 . .	6,045,790	186,759	19	0
1797 . .	8,445,555	267,721	16	4
1798 . .	4,894,121	215,317	12	7
1799 . .	5,876,172	288,028	4	9
1800 . .	6,737,275	327,916	9	0
1801 . .	6,389,754	285,482	6	4
1802 . .	6,327,542	309,738	9	2
1803 . .	5,278,511	265,944	3	4
1804 . .	5,783,487	314,007	5	8
1805 . .	4,158,794	302,316	8	1
1806 . .	5,082,186	359,867	6	4
1807 . .	4,531,049	315,417	4	3
1808 . .	5,847,116	403,973	3	8
1809 . .	6,497,662	451,278	19	11
1810 . .	6,221,646	444,198	5	0
1811 . .	6,453,024	552,082	9	9
1812 . .	5,896,702	697,897	9	11
1813 . .	5,944,817	746,006	5	2
1814 . .	4,869,304	653,708	12	11
1815 . .	4,748,205	740,279	13	1
1816 . .	4,732,085	750,510	7	6
1817 . .	4,778,469	757,316	8	3
1818 . .	4,194,041	664,183	9	1
1819 . .	3,466,852	614,989	5	7
1820 . .	2,582,498	516,446	2	6
1821 . .	2,614,954	522,168	6	9
1822 . .	3,309,072	664,016	7	4
1823 . .	3,546,126	730,507	12	8
1824 . .	3,749,732	750,589	5	4
1825 . .	4,160,049	728,288	13	11
1826 . .	3,898,647	580,893	11	0
1827 . .	4,041,172	603,037	18	9
1828 . .	4,013,915	595,683	4	3

. . IRELAND.

RATES of DUTY per lb. on UNMANUFACTURED TOBACCO.

CUSTOMS.	EXCISE.	TOTAL.	Years.
6d. Irish currency.	6d. Irish currency.	1/ Irish currency.	1789
—	—	—	1790
—	—	—	1791
—	—	—	1792
4d. . ditto . .	2d. . ditto . .	6d. . ditto . .	1793
—	—	—	1794
5d. . ditto . .	3d. . ditto . .	8d. . ditto . .	1795
—	—	—	1796
—	—	—	1797
7d. . ditto . .	5d. . ditto . .	1/ . ditto . .	1798
7 $\frac{7}{10}$ d. ditto . .	—	1 $\frac{7}{10}$ ditto . .	1799
—	. . . . .	—	1800
—	—	—	1801
{ 7 $\frac{7}{10}$ d. per and 3/ }	—	{ 1 $\frac{7}{10}$ per lb. and }	1802
per 100 lb. }	. . . . .	3/ per 100 lb. }	1803
—	—	—	1804
8d. British currency.	9d. British currency.	1/5 British currency.	1805
—	—	—	1806
6d. . ditto . .	11d. . ditto . .	1/5 . ditto . .	1807
—	—	—	1808
—	—	—	1809
—	—	—	1810
7 $\frac{13}{20}$ d. . ditto . .	1/7 . ditto . .	2/2 $\frac{3}{20}$ ditto . .	1811
—	—	—	1812
9 $\frac{3}{8}$ d. . ditto . .	1/11 . ditto . .	2/8 $\frac{3}{8}$ ditto . .	1813
—	—	—	1814
1/ . ditto . .	2/2 . ditto . .	3/2 . ditto . .	1815
—	—	—	1816
—	—	—	1817
—	—	—	1818
.	3s. . ditto . .	4/ . ditto . .	1819
—	—	—	1820
—	—	—	1821
—	—	—	1822
—	—	—	1823
—	—	—	1824
3s. . ditto . .	{ Transferred to Customs, from 5th April, 1825. }	3/ . ditto . .	1825
—	—	—	1826
—	—	—	1827
—	—	—	1828

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1789 .	48
1790 .	49
1791 .	47
1792 .	44
1793 .	19
1794 .	14
1795 .	54
1796 .	6
1797 .	1
1798 .	2
1799 .	199
1800 .	12
1801 .	72
1802 .	173
1803 .	130

1804 . 123

1805 .	61
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1806 . 56

1807	80
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1808	.	44
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1809	.	88
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1810	64
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1811 . 7

1812	.	100
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1813 . 48,

1814 .	20,
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1815	.	40,
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1816	22,
1817	25,

1817	.	25,
1818	.	45,

1818	.	45,
1818	.	42,

1819	.	42,
1890		12

1820	.	12,
1821		22,

1821	.	28,
1833		95

1822	.	23,
1823		25,

1823	25,
1824	24,

1824	24,
1825	95

46,3

1826	}	imperial
		equal
		65,0

Wine G

27,50

Serial (

equal

33,0

Wine G:

46,3

1828	}	imperial
		equal

35,3
no. C.

Note.—The Q

WINE.—GREAT BRITAIN.

Years.	QUANTITIES retained for Home Consumption.			NET REVENUE of CUSTOMS and EXCISE.			RATES OF DUTY.																			
	French.	Other sorts.	Total.	French.	Other sorts.	Total.	CUSTOMS.						EXCISE.				TOTAL.									
							French.	Madeira	Portugal	Spanish.	Rhenish.	Cape.	Other Sorts.	French.	Portugal	Madeira and Spanish.	Cape.	Other Sorts.	French.	Madeira	Portugal	Spanish.	Rhenish.	Cape.	Other Sorts.	
1789	Wine Gallons.	Wine Gallons.	Wine Gallons.	£. s. d.	£. s. d.	£. s. d.	Per Wine Gallon.																			
1790	234,299	5,580,366	5,814,665	36,549 10 8	684,969 8 7	721,518 19 3	2/4	1/6½	1/6½	1/6½	2/8	1/6½	2/4	1/5	1/1½	1/5	1/5	3/9	2/5½	2/5½	2/5½	4/1	2/11½	3/9		
1791	246,334	6,245,983	6,492,317	41,352 16 6	779,209 10 10	820,562 7 4	—	—	—	—	—	—	—	—	—	—	—	—	—	—	—	—	—	—		
1792	250,839	7,407,437	7,658,276	43,417 0 8	873,351 19 9	916,769 0 5	—	—	—	—	—	—	—	—	—	—	—	—	—	—	—	—	—	—		
1793	303,727	7,778,522	8,082,249	59,693 16 5	959,951 6 7	1,019,645 3 0	—	—	—	—	—	—	—	—	—	—	—	—	—	—	—	—	—	—		
1794	256,160	6,634,750	6,890,910	30,398 6 8	660,377 18 6	690,686 5 2	—	—	—	—	—	—	—	—	—	—	—	—	—	—	—	—	—	—		
1795	99,118	6,700,102	6,799,220	14,487 13 6	780,536 5 6	795,023 19 0	—	—	—	—	—	—	—	—	—	—	—	—	—	—	—	—	—	—		
1796	118,587	6,808,554	6,927,121	55,579 4 11	1,375,143 10 2	1,430,722 15 1	—	—	—	—	—	—	—	—	—	—	—	—	—	—	—	—	—	—		
1797	50,881	5,681,502	5,732,383	25,253 13 5	1,134,270 6 2	1,159,523 19 7	4/8½	3/1½	3/1½	3/1½	4/3	3/1½	3/11	3/9½	2/6½	3/	3/	6/1½	4/1½	4/1½	4/1½	5/8	4/6½	5/4		
1798	Excess of Exports, 4,874 gallons.	3,975,775	3,970,901	36,232 16 4	1,347,432 16 4	1,383,665 12 8	—	—	—	—	—	—	—	—	—	—	—	—	—	—	—	—	—	—		
1799	45,367	4,715,290	4,760,657	33,247 0 11	1,339,414 5 8	1,372,661 6 7	5/	3/4½	3/3	3/3½	4/6½	3/3	4/—½	—	—	—	—	8/9½	5/11	5/9½	5/9½	7/6½	6/3	7/—½		
1800	51,126	4,720,505	4,777,631	31,316 6 4	1,661,510 5 8	1,692,826 12 0	—	—	—	—	—	—	—	—	—	—	—	—	—	—	—	—	—	—		
1801	83,471	7,645,400	7,728,871	42,341 16 5	1,924,871 12 0	1,967,213 8 5	—	—	—	—	—	—	—	—	—	—	—	—	—	—	—	—	—	—		
1802	141,693	6,864,617	7,006,310	84,686 13 0	1,908,310 16 11	1,992,997 9 11	4/8½	3/1½	3/1½	3/1½	4/3	3/1½	3/11	—	—	—	—	8/6	5/8½	5/8½	5/8½	7/3	6/1½	6/11		
1803	129,280	6,226,469	6,355,749	61,514 17 2	1,870,358 2 7	1,931,872 19 9	5/—½	3/4½	3/3½	3/3½	4/7½	3/3½	4/1	—	—	—	—	8/10	5/11½	5/10½	5/10½	7/7½	6/3½	7/1		
1804	192,136	7,989,330	8,181,466	72,103 13 4	2,069,252 19 5	2,141,356 12 9	5/1	3/5	3/4	3/4	5/1	3/4	3/4	5/3	3/6½	3/6½	3/6½	10/4	6/11½	6/10½	6/10½	8/7½	6/10½	6/10½		
1805	218,804	4,818,915	4,840,719	34,423 7 4	1,779,899 18 1	1,814,323 5 5	—	—	—	—	—	—	—	6/2½	4/2	4/2	4/2	11/3½	7/7	7/6	7/6	9/3	7/6	7/6		
1806	63,986	4,501,565	4,565,551	81,386 1 0	1,922,480 7 4	2,003,866 8 4	5/2½	3/6	3/5	3/5	5/2½	3/5	3/5	—	—	—	—	11/5	7/8	7/7	7/7	9/4½	7/7	7/7		
1807	156,002	5,720,233	5,936,235	94,813 3 5	2,225,615 8 3	2,320,428 11 8	—	—	—	—	—	—	—	—	—	—	—	—	—	—	—	—	—	—		
1808	160,114	5,762,223	5,922,337	89,139 3 7	2,245,058 15 2	2,334,197 18 9	—	—	—	—	—	—	—	—	—	—	—	—	—	—	—	—	—	—		
1809	186,944	6,221,590	6,408,534	126,936 11 1	2,226,800 8 0	2,353,736 19 1	—	—	—	—	—	—	—	—	—	—	—	—	—	—	—	—	—	—		
1810	125,266	5,682,821	5,808,087	The net receipt of Duty on French and other descriptions of Wine cannot be separately stated for these years, in consequence of the destruction of the Custom's Records by Fire.			2,361,113 18 3	—	—	—	Red 4/4½ White 3/5	—	—	—	—	—	—	—	—	—	—	—	—	—		
1811	190,917	6,614,359	6,805,276	Custom's Records destroyed.			2,513,615 16 3	—	—	—	—	—	—	—	—	—	—	—	—	—	—	—	—	—		
1812	63,221	5,797,653	5,860,874	All sorts 3/5			2,169,871 6 3	—	—	—	—	—	—	—	—	—	—	—	—	—	—	—	—	—		
1813	77,312	5,059,178	5,136,490	1/1½			1,911,352 19 11	—	—	—	—	—	—	—	—	—	—	—	—	—	—	—	—	—		
1814	186,747	4,531,821	4,718,568	6/2½			2,032,840 19 4	—	—	—	—	—	—	—	—	—	—	—	—	—	—	—	—	—		
1815	36,880	4,904,783	4,941,663	5/3			2,095,299 18 0	—	—	—	—	—	—	—	—	—	—	—	—	—	—	—	—	—		
1816	301,024	5,667,111	5,968,435	11/5½			1,610,299 5 8	—	—	—	—	—	—	—	—	—	—	—	—	—	—	—	—	—		
1817	126,625	4,294,182	4,420,807	11/5			2,023,720 8 2	—	—	—	—	—	—	—	—	—	—	—	—	—	—	—	—	—		
1818	147,671	5,466,951	5,614,622	6/2½			2,241,380 2 7	—	—	—	—	—	—	—	—	—	—	—	—	—	—	—	—	—		
1819	266,424	5,873,066	6,139,490	1/1½			1,802,097 1 11	—	—	—	—	—	—	—	—	—	—	—	—	—	—	—	—	—		
1820	215,846	4,762,754	4,978,600	11/5½			1,818,396 2 5	—	—	—	—	—	—	—	—	—	—	—	—	—	—	—	—	—		
1821	182,175	4,537,785	4,719,960	7/8			1,797,491 7 10	—	—	—	—	—	—	—	—	—	—	—	—	—	—	—	—	—		
1822	165,791	4,850,778	5,016,569	7/7			1,794,013 11 2	—	—	—	—	—	—	—	—	—	—	—	—	—	—	—	—	—		
1823	177,758	4,797,401	4,975,159	7/7			1,907,466 13 3	—	—	—	—	—	—	—	—	—	—	—	—	—	—	—	—	—		
1824	183,296	5,108,114	5,291,410	7/7			1,967,953 13 10	—	—	—	—	—	—	—	—	—	—	—	—	—	—	—	—	—		
1825	204,901	5,274,831	5,479,732	7/7			1,815,053 8 5	—	—	—	—	—	—	—	—	—	—	—	—	—	—	—	—	—		
1826	534,015	8,121,978	8,655,993	7/7			1,021,044 3 11	—	—	—	—	—	—	—	—	—	—	—	—	—	—	—	—	—		
				Allowances for Stock in hand			794,009 4 6	—	—	—	—	—	—	Transferred to Customs from 2d March, 1825.						6/	4/	4/	4/	4/	2/	4/
1827	297,372	5,078,306	5,375,678	Per Imperial Gallon.			1,270,118 1 6	7/3 | 4/10 | 4/10 | 4/10 | 4/10 | 2/5 | 4/10						Per Imperial Gallon.						7/3 | 4/10 | 4/10 | 4/10 | 4/10 | 2/5 | 4/10						
1828	Imperial Gallons, equal to 356,846	Imperial Gallons, equal to 6,093,968	Imperial Gallons, equal to 6,450,814	107,292 14 2	1,162,825 7 4	1,270,118 1 6	equal to the former Duties per Wine Gallon.						equal to the former Duties per Wine Gallon.						equal to the former Duties per Wine Gallon.							
1829	Wine Gallons.	Wine Gallons.	Wine Gallons.																							
1830	253,726	5,768,032	6,051,758	Per Imperial Gallon.			1,426,550 11 9	7/3 | 4/10 | 4/10 | 4/10 | 4/10 | 2/5 | 4/10						Per Imperial Gallon.						7/3 | 4/10 | 4/10 | 4/10 | 4/10 | 2/5 | 4/10						
1831	Imperial Gallons, equal to 340,471	Imperial Gallons, equal to 6,921,639	Imperial Gallons, equal to 7,262,110	102,509 16 6	1,324,040 15 3	1,426,550 11 9	equal to the former Duties per Wine Gallon.						equal to the former Duties per Wine Gallon.						equal to the former Duties per Wine Gallon.							
1832	Wine Gallons.	Wine Gallons.	Wine Gallons.																							
1833	476,134	5,941,054	6,317,188	Per Imperial Gallon.			1,506,122 15 4	7/3 | 4/10 | 4/10 | 4/10 | 4/10 | 2/5 | 4/10						Per Imperial Gallon.						7/3 | 4/10 | 4/10 | 4/10 | 4/10 | 2/5 | 4/10						
1834	Imperial Gallons, equal to 451,361	Imperial Gallons, equal to 7,129,264	Imperial Gallons, equal to 7,580,625	136,024 9 9	1,370,098 5 7	1,506,122 15 4	equal to the former Duties per Wine Gallon.						equal to the former Duties per Wine Gallon.						equal to the former Duties per Wine Gallon.							
1835	Wine Gallons.	Wine Gallons.	Wine Gallons.																							

Note.—The quantities printed in bold figures, with the words in *italics*, were written with *Red Ink* in the original.

* Excise Duty on Wine in the Stocks of Dealers { French, £30 per Tun. Other Wine, £20 per Tun.

WINE,—IRELAND.

Years.	QUANTITIES retained for Home Consumption.			NET REVENUE (CUSTOMS.)			RATES of CUSTOMS DUTY, per Tun, Irish Measure.							
	French.	Other Sorts.	Total.	French.	Other Sorts.	Total.	French.	Madeira.	Portugal.	Rhenish.	Spanish White.	Canary, Spanish Red, and Sicilian.	Cape, and other sorts.	
	<i>Wine Gallons.</i>	<i>Wine Gallons.</i>	<i>Wine Gallons.</i>	£. s. d.	£. s. d.	£. s. d.	IRISH CURRENCY:							
1789 .	483,210	853,043	1,336,253	61,437 14 8	68,749 13 8	130,187 8 4	33 7 0	22 4 8	22 4 8	27 19 10 ³ / ₄	22 4 8	22 4 8	28 9 10 ³ / ₄	
1790 .	496,034	932,895	1,428,929	63,056 1 7	75,533 11 0	138,589 12 7	35 0 4 ³ / ₄	—	—	—	—	—	—	
1791 .	478,263	962,009	1,430,272	60,602 16 9	77,407 10 11	138,010 7 9	—	—	—	29 7 10 ³ / ₄	—	—	29 18 4 ³ / ₄	
1792 .	443,266	896,534	1,339,800	56,540 12 6	72,569 13 0	129,110 5 6	—	—	—	—	—	—	—	
1793 .	195,050	846,882	1,041,932	24,917 1 2	69,889 17 6	94,806 18 8	—	—	—	—	—	—	—	
1794 .	145,799	1,228,630	1,374,429	18,614 7 4	99,234 14 11	117,839 2 3	—	—	—	—	—	—	—	
1795 .	549,915	2,409,089	2,959,004	69,807 4 4	194,358 1 2	264,165 5 6	—	—	—	—	—	—	—	
1796 .	64,808	1,134,321	1,199,129	10,581 5 0	118,144 4 6	128,728 9 6	44 13 3 ³ / ₄	28 13 7	28 13 7	—	28 13 7	28 13 7	—	
1797 .	13,185	299,027	312,212	2,684 6 10	38,623 16 3	41,308 3 1	54 7 2	35 2 2	35 2 2	—	35 2 2	35 2 2	—	
1798 .	25,930	1,532,335	1,558,265	4,679 13 7	179,809 18 11	184,489 12 6	—	—	—	—	—	—	—	
1799 .	199,113	2,389,053	2,588,166	38,231 13 0	304,963 0 1	343,194 13 1	—	—	—	—	—	—	—	
1800 .	12,821	1,012,011	1,024,832	5,005 5 6	152,589 7 6	157,594 13 0	64 0 6	41 10 11 ³ / ₄	41 10 11 ³ / ₄	—	41 10 11 ³ / ₄	41 10 11 ³ / ₄	—	
1801 .	72,350	1,173,392	1,245,742	16,874 17 10	175,789 0 6	192,663 18 4	—	—	—	—	—	—	—	
1802 .	17,452	2,006,350	2,023,802	41,696 10 8	306,903 4 1	348,599 14 9	68 4 6	44 13 11 ³ / ₄	44 13 10 ³ / ₄	34 2 4 ³ / ₄	43 12 10 ³ / ₄	43 12 10 ³ / ₄	32 0 4 ³ / ₄	
1803 .	130,465	1,569,826	1,699,291	32,345 18 4	250,226 1 10	282,572 0 2	75 0 11	49 3 5	48 0 4	37 10 8	48 0 4	48 0 4	35 4 6	
							BRITISH CURRENCY:							
1804 .	123,393	1,585,117	1,708,510	31,037 16 11	296,094 16 11	327,132 13 10	87 0 0	59 1 2	58 0 0	60 0 0	Red 65 0 0 White 58 0 0	Canary, 65 0 0 Sicilian, 58 0 0	65 0 0	
1805 .	61,682	920,008	981,690	24,785 4 6	227,142 14 9	231,927 19 3	—	—	—	—	Red 64 18 4 White 58 0 0	—	58 0 0	
1806 .	56,551	997,428	1,053,979	21,225 3 11	232,877 3 9	254,102 7 8	—	—	—	—	58 0 0	—	—	
1807 .	80,130	1,523,145	1,603,278	29,970 13 2	365,715 9 2	395,689 2 4	—	—	—	—	—	—	—	
1808 .	44,226	1,435,490	1,479,716	13,894 0 9	280,842 14 0	294,736 14 9	—	—	—	—	—	—	—	
1809 .	88,369	1,176,557	1,264,926	39,282 8 1	285,607 2 4	324,889 10 5	—	—	—	—	—	—	—	
1810 .	64,107	956,168	1,020,275	22,958 1 0	250,013 11 7	272,971 12 7	105 18 0	71 13 0	70 12 0	78 18 0	70 12 0	70 12 0	70 12 0	
1811 .	7,834	886,958	894,792	4,242 18 1	258,893 10 4	263,136 8 5	—	—	—	—	—	—	—	
1812 .	100,862	792,084	892,946	45,226 8 7	232,838 18 9	278,065 7 4	—	—	—	—	—	—	—	
1813 .	48,694	711,310	760,004	25,313 12 11	228,451 8 7	253,765 1 6	139 11 4	79 19 9	78 18 4	91 13 2	78 18 4	78 18 4	78 18 4	
1814 .	20,294	615,843	636,137	13,070 15 11	221,665 11 4	234,736 7 3	—	—	—	—	—	—	—	
1815 .	40,593	689,458	730,051	31,515 15 11	261,575 15 4	293,091 11 3	—	—	—	—	—	—	—	
1816 .	22,371	416,728	439,099	13,569 6 7	153,588 15 5	167,158 2 0	—	—	—	—	—	—	—	
1817 .	25,840	545,756	571,596	15,018 4 4	185,873 7 7 ³ / ₄	200,891 11 11 ³ / ₄	—	—	—	—	—	—	—	
1818 .	45,913	596,293	642,206	26,019 19 4	199,915 11 6 ³ / ₄	225,935 10 10 ³ / ₄	—	—	—	—	—	—	—	
1819 .	42,488	547,366	589,854	21,061 14 7	179,200 5 0	200,261 19 7	—	—	—	—	—	—	—	
1820 .	12,721	495,780	508,501	7,485 18 5	161,935 7 0 ³ / ₄	169,421 5 5 ³ / ₄	—	—	—	—	—	—	—	
1821 .	28,206	596,495	624,701	16,407 18 11	192,598 12 1	209,006 11 0	—	—	—	—	—	—	—	
1822 .	25,780	543,258	569,038	14,772 4 3	174,095 16 3 ³ / ₄	188,868 0 6 ³ / ₄	—	—	—	—	—	—	—	
1823 .	25,402	521,816	547,218	14,684 4 8	166,080 12 3 ³ / ₄	180,764 16 11 ³ / ₄	—	—	—	—	—	—	—	
1824 .	24,022	540,507	564,529	13,779 5 3	171,379 6 1	185,158 11 4	—	—	—	—	—	—	—	
1825 .	95,507	858,303	953,810	20,413 1 1 ³ / ₄	120,242 5 11 ³ / ₄	140,655 7 1 ³ / ₄	—	—	—	—	—	—	—	
1826 .	46,335	639,154	685,489	—	—	—	—	—	—	—	—	—	—	
1826 .	Imperial Gallons, equal to 65,601	Imperial Gallons, equal to 766,985	Imperial Gallons, equal to 822,586	16,507 13 7	138,653 15 11 ³ / ₄	155,161 12 6 ³ / ₄	Same Rates as in Great Britain, from 5th July, 1814.							
1827 .	Wine Gallons. 27,564	Wine Gallons. 747,119	Wine Gallons. 774,683	—	—	—	—							
1827 .	Imperial Gallons, equal to 33,076	Imperial Gallons, equal to 896,543	Imperial Gallons, equal to 929,619	10,092 9 10	163,944 6 9 ³ / ₄	174,036 16 7 ³ / ₄	—							
1828 .	Wine Gallons. 46,330	Wine Gallons. 789,690	Wine Gallons. 836,020	—	—	—	—							
1828 .	Imperial Gallons, equal to 55,596	Imperial Gallons, equal to 947,628	Imperial Gallons, equal to 1,003,224	16,771 5 1	177,157 5 8	193,928 10 9	—							
1829 .	Wine Gallons. —	Wine Gallons. —	Wine Gallons. —	—	—	—	—							

Note.—The Quantities printed in bold figures, with the words in *italics*, were written with *Red Ink* in the original.

N.B.—There was no Excise Duty on Wine, in Ireland, during the years above stated.

[illegible]

FOREIGN SPIRITS,

GREAT BRITAIN.

FOREIGN SPIRITS . .

Years.	Quantities Retained for Home Consumption.		NET REVENUE of CUSTOMS and EXCISE.		
	Brandy, Geneva, &c.	Rum.	£	s.	d.
	<i>Wine Gallons.</i>	<i>Wine Gallons.</i>			
1789	2,002,626	2,160,183	952,392	13	5
1790	2,225,405	2,274,533	1,001,415	17	4
1791	1,949,418	2,505,472	999,481	3	11
1792	1,984,822	1,812,108	1,008,098	3	5
1793	1,557,876	2,202,133	1,002,976	16	11
1794	1,667,721	2,590,365	1,100,504	1	5
1795	949,606	2,468,818	957,512	7	5
1796	1,237,188	1,885,706	1,049,610	18	2
1797	1,669,787	2,142,047	1,317,520	8	6
1798	1,521,179	1,712,512	1,305,937	2	9
1799	1,618,855	2,076,586	1,423,961	4	11
1800	2,172,618	2,622,837	1,895,276	14	3
1801	2,631,055	2,445,032	2,202,123	2	3
1802	2,806,736	3,208,378	2,534,152	11	10
1803	2,763,575	3,543,997	2,668,884	5	8
1804	1,606,635	1,960,620	2,163,105	19	10
1805	1,991,002	2,220,566	2,613,835	8	0
1806	2,439,793	2,455,952	3,094,477	12	0
1807	2,200,728	2,671,935	3,019,777	8	11
1808	2,758,676	2,897,513	3,882,304	6	8
1809	1,172,211	3,060,664	2,790,378	14	1
1810	2,146,055	3,641,998	3,850,938	2	11
1811	1,329,467	3,615,570	3,121,766	15	7
1812	224,896	4,191,467	2,601,445	8	10
1813	287,050	3,944,613	Customs Records destroyed.		
1814	373,009	4,336,284	2,926,113	0	11
1815	1,016,462	3,962,108	3,193,677	13	6
1816	913,242	2,889,600	2,495,658	14	9
1817	887,400	2,853,847	2,454,997	16	9
1818	773,805	3,133,031	2,504,804	11	5
1819	1,067,934	3,047,877	2,735,315	8	0
1820	1,137,517	2,963,221	2,755,604	19	7
1821	1,204,888	2,716,250	2,711,670	14	1
1822	1,308,332	2,678,838	3,112,506	18	10
1823	1,399,065	2,798,494	2,909,590	18	1
1824	1,579,584	3,051,362	3,089,121	1	5
1825	1,686,043	2,502,671	2,865,944	8	3
1826	1,540,322 Im.Gal.	4,277,558 Im.Gal.	3,529,160	14	8
	equal to	equal to			
	1,848,386	5,133,070			
1827	Wine Gallons.	Wine Gallons.	2,915,432	5	4
	1,363,977 Im.Gal.	3,265,366 Im.Gal.			
	equal to	equal to			
1828	1,636,772	3,918,439			
	Wine Gallons.	Wine Gallons.			
	1,370,966 Im.Gal.	4,252,935 Im.Gal.	2,921,251	12	8
	equal to	equal to			
	1,645,159	3,903,534			
	Wine Gallons.	Win. Gallons.			

NOTE.—The Quantities printed in bold figures, with the words

GREAT BRITAIN.

RATES OF DUTY.

CUSTOMS.			EXCISE.		TOTAL.		
Brandy.	Geneva.	Rum.	Brandy and Geneva.	Rum.	Brandy.	Geneva.	Rum.
<i>Per Wine Gallon.</i>			<i>Per Wine Gallon.</i>		<i>Per Wine Gallon.</i>		
9d.	9d.	5d.	4/3	3/7	5/	5/	4/
—	—	—	—	—	—	—	—
—	—	—	5/1	4/3	5/10	5/10	4/8
—	—	—	—	—	—	—	—
—	—	—	—	—	—	—	—
—	—	—	5/11	4/11	6/8	6/8	5/4
—	—	—	6/9	5/7	7/6	7/6	6/
—	—	—	—	—	—	—	—
9 $\frac{1}{2}$ d.	9 $\frac{1}{2}$ d.	5 $\frac{1}{2}$ d.	7/7	6/3	8/4 $\frac{3}{4}$	8/4 $\frac{3}{4}$	6/8 $\frac{1}{2}$
1/0 $\frac{3}{4}$	1/1 $\frac{3}{4}$	7 $\frac{3}{4}$ d.	—	—	8/7 $\frac{3}{4}$	8/6 $\frac{3}{4}$	6/10 $\frac{6}{10}$
—	—	—	—	—	—	—	—
—	—	—	8/5	6/11	9/5 $\frac{3}{4}$	9/4 $\frac{3}{4}$	7/6 $\frac{6}{10}$
9 $\frac{1}{2}$ d.	9 $\frac{1}{2}$ d.	5 $\frac{1}{2}$ d.	—	—	9/2 $\frac{1}{2}$	9/2 $\frac{1}{2}$	7/4 $\frac{1}{2}$
1/0 $\frac{1}{2}$	1/1 $\frac{1}{2}$	7 $\frac{3}{4}$ d.	—	—	9/5 $\frac{1}{2}$	9/4 $\frac{1}{2}$	7/6 $\frac{3}{5}$
1/2 $\frac{3}{4}$	1/1 $\frac{1}{2}$	9d.	12/7 $\frac{1}{2}$	10/4 $\frac{1}{2}$	13/10 $\frac{5}{10}$	13/9	11/1 $\frac{1}{2}$
1/4 $\frac{1}{4}$	1/3	10d.	—	—	13/11 $\frac{3}{4}$	13/10 $\frac{1}{2}$	11/2 $\frac{1}{2}$
1/4 $\frac{3}{4}$	1/3 $\frac{6}{10}$	10 $\frac{1}{2}$ d.	—	—	14/0 $\frac{3}{4}$	13/10 $\frac{1}{2}$	11/2 $\frac{7}{10}$
1/5 $\frac{3}{4}$	1/4 $\frac{6}{10}$	10 $\frac{3}{4}$ d.	—	—	14/1 $\frac{2}{10}$	13/11 $\frac{1}{10}$	11/3 $\frac{1}{10}$
—	—	—	15/1 $\frac{1}{2}$	—	16/7 $\frac{1}{2}$	16/5 $\frac{1}{2}$	11/3 $\frac{1}{3}$
—	—	—	—	—	—	—	—
1/6	1/6	1/	—	—	16/7 $\frac{1}{2}$	16/7 $\frac{1}{2}$	11/4 $\frac{1}{2}$
—	—	—	—	—	—	—	—
—	—	—	—	—	—	—	—
—	—	—	19/1 $\frac{3}{4}$	—	20/7 $\frac{3}{4}$	20/7 $\frac{3}{4}$	11/4 $\frac{1}{2}$
1/9 $\frac{3}{8}$	1/9 $\frac{3}{8}$	1/2 $\frac{1}{4}$	—	—	20/11 $\frac{1}{8}$	20/11 $\frac{1}{8}$	11/6 $\frac{4}{4}$
—	—	—	17/0 $\frac{3}{16}$	—	18/9 $\frac{9}{16}$	18/9 $\frac{3}{16}$	11/6 $\frac{3}{4}$
—	—	—	—	—	—	—	—
—	—	—	—	—	—	—	—
—	—	—	—	—	—	—	—
1/10	1/10	1/3	—	—	18/10 $\frac{3}{16}$	18/10 $\frac{3}{16}$	11/7 $\frac{1}{2}$
—	—	—	—	—	—	—	—
—	—	—	—	—	—	—	—
—	—	—	—	—	—	—	—
—	—	—	—	9/3	18/10 $\frac{3}{16}$	18/10 $\frac{3}{16}$	10/6
18/10 $\frac{3}{16}$	18/10 $\frac{3}{16}$	10/6	{ Transf. to Customs from 5 April, 1825. }		{ 18/10 $\frac{3}{16}$	{ 18/10 $\frac{3}{16}$	{ 10/6
<i>Per Imperial Gallon.</i>					<i>Per Imperial Gallon.</i>		
22/6	22/6	8/6	{ — — }		{ 22/6 22/6 8/6 }		
equal to, per Wine Gallon.	equal to, per Wine Gallon.	equal to, per Wine Gallon.					
18/9	18/9	7/1			18/9	18/9	7/1
—	—	—	—	—	—	—	—
—	—	—	—	—	—	—	—

in *italic*, were written with *Red Ink* in the original.

SUGAR . .

Years.	Quantities retained for Home Consumption.	NET REVENUE (Customs.)		
	<i>Cwt.</i>	£.	s.	d.
1789 . .	1,547,109	862,632	11	11
1790 . .	1,536,232	908,954	17	4
1791 . .	1,403,211	1,074,903	16	5
1792 . .	1,361,592	1,012,538	12	1
1793 . .	1,677,097	1,316,502	14	3
1794 . .	1,489,392	1,031,492	4	2
1795 . .	1,336,230	949,961	16	1
1796 . .	1,554,062	1,225,213	7	5
1797 . .	1,273,722	1,299,744	0	7
1798 . .	1,476,552	1,794,990	15	9
1799 . .	2,772,538	2,321,935	16	5
1800 . .	1,506,921	1,835,112	11	1
1801 . .	2,773,795	2,782,232	18	1
1802 . .	2,250,311	2,210,801	6	11
1803 . .	1,492,565	1,551,457	17	11
1804 . .	2,144,369	2,458,124	18	3
1805 . .	2,076,103	2,439,795	1	10
1806 . .	2,801,747	3,097,590	3	6
1807 . .	2,277,665	3,150,753	6	3
1808 . .	2,842,813	4,177,916	3	4
1809 . .	2,504,507	3,273,995	2	3
1810 . .	3,489,312	3,117,330	12	9
1811 . .	3,226,757	3,339,218	4	3
1812 . .	2,604,019	3,939,939	17	2
1813 . .	2,209,063	3,447,560	4	5
1814 . .	1,997,999	3,276,513	6	5
1815 . .	1,888,965	2,957,403	2	4
1816 . .	2,228,156	3,166,851	18	0
1817 . .	2,960,794	3,967,154	5	0
1818 . .	1,457,707	2,331,472	3	5
1819 . .	2,474,738	3,507,844	11	0
1820 . .	2,581,256	3,477,770	11	4
1821 . .	2,676,274	3,660,567	6	7
1822 . .	2,618,490	3,579,412	12	1
1823 . .	2,842,676	4,022,782	4	1
1824 . .	2,957,261	4,223,240	18	5
1825 . .	2,655,959	3,756,654	0	1
1826 . .	3,255,075	4,518,690	15	9
1827 . .	3,021,191	4,218,623	6	7
1828 . .	3,285,843	4,576,287	13	4

GREAT BRITAIN.

British Plantation Sugar.	RATES of DUTY (Customs.)		
	East India Sugar.		
<i>Per Cwt.</i> £. s. d.	<i>Per Cwt.</i> £. s. d.	<i>Per cent. ad valorem.</i> £. s. d.	
0 12 4	. . .	37	16 3
0 15 0	0 2 8	37	16 3
—	—	—	—
—	—	—	—
—	—	—	—
0 17 6	0 5 2	37	16 3
0 19 4	0 5 2	40	16 3
1 0 0	0 2 6	42	16 3
—	—	—	—
. . .	0 3 2	42	16 3
—	—	—	—
1 4 0	1 6 4 $\frac{3}{4}$	1	4 0
1 6 6	1 9 1 $\frac{3}{4}$	1	6 6
1 7 0	1 9 8 $\frac{1}{2}$	1	7 0
—	—	—	—
—	—	—	—
—	—	—	—
1 9 0	1 10 0	1	0 0
1 8 0	1 12 0	1	0 0
1 7 0	1 11 0	1	0 0
—	1 10 0	1	0 0
1 10 0	—	—	—
—	1 13 0	1	0 0
. . .	{	<i>Per Cwt.</i>	
		1	10 0
		1	11 0
		1	19 0
. . .	{	1	10 0
		1	17 0
		1	19 0
		1	19 0
1 7 0	{	2	0 0
—		1	17 0
—		1	17 0
—		1	17 0
1 10 0		2	0 0
1 8 0		1	18 0
1 7 0		1	17 0
1 7 0		1	17 0
—		—	—
—		—	—
—		—	—
—		—	—
—		—	—
—		—	—

Note.—From 5 July, 1825, Mauritius Sugar was placed on the same footing, with respect to Duty, as British Plantation Sugar, having been previously charged as of the East Indies.

* Sugar used in the Distilleries included in these years.

TEA,—GREAT BRITAIN.

Years.	Quantities retained for Home Consumption.	Net Revenue of Customs and Excise.		RATES OF DUTY.		
				Customs.	Excise.	Total.
	<i>lbs.</i>	<i>£.</i>	<i>s.</i>	<i>d.</i>		
1789	14,534,601	562,038	14	5	$\left. \begin{array}{l} \text{£5 per cent.} \\ \text{on the gross} \\ \text{price.} \end{array} \right\} \text{£7 10 per cent. on the gross price.}$	£12 10s. per cent.
1790	14,693,299	547,230	4	8	—	—
1791	15,096,840	607,430	8	4	—	—
1792	15,822,015	616,775	6	9	—	—
1793	15,244,931	609,846	5	6	—	—
1794	16,647,963	628,081	6	5	—	—
1795	18,304,232	695,108	5	9	$\left\{ \begin{array}{l} \text{£15 per cent. on the gross} \\ \text{price.} \end{array} \right\}$	£20 per cent.
1796	18,009,922	877,042	13	0	—	—
1797	16,368,041	1,028,060	9	7	$\left\{ \begin{array}{l} \text{Sold at or above 2/6 per lb.} \\ \text{25} \frac{1}{2} \text{ per cent.} \\ \text{Under 2/6 15} \frac{1}{2} \text{ per cent.} \end{array} \right\}$	At or above 2/6 per lb. 30 $\frac{1}{2}$ per cent. Under 2/6 per lb. 20 $\frac{1}{2}$ per ditto.
1798	19,566,934	1,111,898	9	1	$\left\{ \begin{array}{l} \text{Sold at or above 2/6 per lb.} \\ \text{30} \frac{1}{2} \text{ per cent.} \\ \text{Under 2/6 15} \frac{1}{2} \text{ per cent.} \end{array} \right\}$	At or above 2/6 per lb. 35 $\frac{1}{2}$ per cent. Under 2/6 per lb. 20 $\frac{1}{2}$ per ditto.
1799	19,906,510	1,176,861	9	9	—	—
1800	20,358,702	1,152,262	0	0	$\left\{ \begin{array}{l} \text{Sold at or above 2/6 per lb.} \\ \text{35} \frac{1}{2} \text{ per cent.} \\ \text{Under 2/6 15} \frac{1}{2} \text{ per cent.} \end{array} \right\}$	At at above 2/6 per lb. 40 $\frac{1}{2}$ per cent. Under 2/6 per lb. 20 $\frac{1}{2}$ per ditto.
1801	20,237,753	1,287,808	2	6	$\left\{ \begin{array}{l} \text{Sold at or above 2/6 per lb.} \\ \text{45} \frac{1}{2} \text{ per cent.} \\ \text{Under 2/6 15} \frac{1}{2} \text{ per ditto.} \end{array} \right\}$	Under 2/6 per lb. 20 $\frac{1}{2}$ per ditto. At or above 2/6 per lb. 50 $\frac{1}{2}$ per cent.
1802	21,848,245	1,450,252	7	9	—	—
1803	21,647,922	1,757,257	18	4	$\left\{ \begin{array}{l} \text{Sold at or above 2/6 per lb.} \\ \text{90 per cent.} \\ \text{Under 2/6 60} \frac{1}{2} \text{ per cent.} \end{array} \right\}$	At or above 2/6 per lb. 95 $\frac{1}{2}$ per cent. Under 2/6 per lb. 65 $\frac{1}{2}$ per ditto.

1804	18,501,901	2,348,004	4	8	—	—	—	At or above 2/6 per lb. 95 <i>l</i> . 2 <i>s</i> . 6 <i>d</i> . per ditto. Under 2/6 per lb. 65 <i>l</i> . 2 <i>s</i> . 6 <i>d</i> . per ditto. On all Teas 96 <i>l</i> . per ditto.
1805	21,025,380	2,925,298	17	9	£5 2 <i>s</i> . 6 <i>d</i> . do.	—	—	—
1806	20,355,038	3,098,428	13	2	£6 ditto	—	—	—
1807	19,239,312	3,043,224	11	3	—	—	—	—
1808	20,859,929	3,370,610	0	10	—	—	—	—
1809	19,869,134	3,130,616	14	9	—	—	—	—
1810	19,093,244	3,212,430	1	1	—	—	—	—
1811	20,702,809	3,249,294	0	9	—	—	—	—
1812	20,018,251	3,258,793	2	9	—	—	—	—
1813	20,443,226	{ Customs Records destroyed.	—	—	—	—	—	—
1814	19,224,154	3,428,236	8	4	—	—	—	—
1815	22,378,345	3,526,590	18	3	—	—	—	—
1816	20,246,144	3,956,719	0	5	—	—	—	—
1817	20,822,936	3,003,650	18	7	—	—	—	—
1818	22,660,177	3,362,588	10	1	—	—	—	—
1819	22,631,467	3,256,433	12	10	{ Customs duty repealed from 8 June 1819.	{ Sold at or under 2 <i>s</i> . per lb. 96 <i>l</i> . per cent. Above 2/ 100 <i>l</i> . per cent.	At or under 2/ per lb. 96 <i>l</i> . per ditto. Above 2 <i>s</i> . per lb. 100 <i>l</i> . per ditto.	
1820	22,452,050	3,128,449	17	0	—	—	—	—
1821	22,892,913	3,275,642	17	6	—	—	—	—
1822	23,911,884	3,434,292	19	10	—	—	—	—
1823	23,762,470	3,407,983	1	8	—	—	—	—
1824	23,784,838	3,420,205	11	11	—	—	—	—
1825	24,830,015	3,527,944	4	11	—	—	—	—
1826	25,238,067	3,291,813	19	5	—	—	—	—
1827	26,043,223	3,263,206	19	3	—	—	—	—
1828	*26,790,481	3,177,179	8	0	—	—	—	—

* This amount includes all Tea shipped to Ireland for consumption in that country subsequently to the passing of the Act 9 Geo. IV. c. 44.

COFFEE . .

Years.	Quantities retained for Home Consumption.	NET REVENUE of CUSTOMS and EXCISE.		
		£.	s.	d.
	<i>lbs.</i>			
1789 . .	930,141	46,286	17	11
1790 . .	973,110	50,799	7	4
1791 . .	1,047,276	57,659	5	11
1792 . .	946,666	48,825	6	2
1793 . .	1,070,438	67,357	11	9
1794 . .	969,512	74,430	4	6
1795 . .	1,054,588	65,788	3	7
1796 . .	396,953	30,048	6	11
1797 . .	637,001	92,469	3	11
1798 . .	697,487	78,966	6	9
1799 . .	682,432	74,001	2	2
1800 . .	826,590	142,867	11	5
1801 . .	750,861	106,075	2	7
1802 . .	829,435	72,183	2	3
1803 . .	905,532	72,093	15	8
1804 . .	1,061,327	151,388	0	11
1805 . .	1,201,736	120,172	18	7
1806 . .	1,157,014	152,759	6	9
1807 . .	1,170,164	161,245	11	4
1808 . .	1,069,691	229,738	16	8
1809 . .	9,251,837	245,886	8	4
1810 . .	5,308,096	175,567	1	4
1811 . .	6,390,122	212,890	12	10
1812 . .	8,118,734	255,184	7	1
1813 . .	8,788,601	Customs' Records destroyed.		
1814 . .	6,324,267	213,513	18	4
1815 . .	6,117,311	258,762	18	3
1816 . .	7,557,471	290,834	0	11
1817 . .	8,688,726	298,540	5	1
1818 . .	7,967,857	250,106	4	10
1819 . .	7,429,352	292,154	8	10
1820 . .	6,896,286	340,223	6	7
1821 . .	7,327,283	371,252	5	6
1822 . .	7,404,204	374,596	19	7
1823 . .	8,209,245	416,324	3	9
1824 . .	7,993,040	407,544	4	3
1825 . .	10,766,112	307,204	14	2
1826 . .	12,724,139	324,667	11	1
1827 . .	14,974,378	384,994	13	2
1828 . .	16,522,423	425,389	3	7

GREAT BRITAIN.

RATES OF DUTY.									
CUSTOMS.			EXCISE.		TOTAL.				
British Plantation.	East India.		British Plantation.	East India.	British Plantation.	East India.			
<i>per lb.</i>	<i>per lb.</i>	<i>per cent. ad val.</i>	<i>per lb.</i>	<i>per lb.</i>	<i>per lb.</i>	<i>per lb.</i>	<i>per cent. ad val.</i>		
<i>s. d.</i>	<i>s. d.</i>	<i>£ s. d.</i>	<i>s. d.</i>	<i>s. d.</i>	<i>s. d.</i>	<i>s. d.</i>	<i>£ s. d.</i>		
0 4 $\frac{1}{8}$	0 4 $\frac{1}{8}$	Nil.	0 6 $\frac{1}{2}$	1 8	0 10 $\frac{5}{8}$	2 0 $\frac{1}{8}$	Nil.		
—	—	—	—	—	—	—	—		
—	—	—	—	—	—	—	—		
—	—	—	—	—	—	—	—		
—	—	—	—	—	—	—	—		
—	—	—	1 1	2 2 $\frac{1}{2}$	1 5 $\frac{1}{8}$	2 6 $\frac{3}{8}$	—		
—	—	—	—	—	—	—	—		
0 4 $\frac{1}{2}$	0 4 $\frac{1}{2}$	. . .	. . .	. . .	1 5 $\frac{1}{2}$	2 7	—		
0 4 $\frac{1}{2}$	0 4	. . .	. . .	. . .	1 5 $\frac{7}{8}$	2 7 $\frac{3}{8}$	—		
—	—	2 0 0	. . .	. . .	1 5 $\frac{7}{8}$	2 7 $\frac{3}{8}$	2 0 0		
—	—	—	—	—	—	—	—		
0 4 $\frac{1}{2}$	0 4 $\frac{1}{2}$	. . .	. . .	. . .	1 5 $\frac{1}{2}$	2 7	2 0 0		
0 5	0 5	. . .	. . .	. . .	1 6	2 7 $\frac{1}{2}$	2 0 0		
0 5 $\frac{3}{4}$	0 5 $\frac{3}{4}$	2 16 3	. . .	1 6	1 6 $\frac{3}{4}$	1 11 $\frac{1}{4}$	2 16 3		
0 6 $\frac{1}{4}$	0 6 $\frac{1}{4}$	3 2 6	. . .	. . .	1 7 $\frac{1}{4}$	2 0 $\frac{1}{4}$	3 2 6		
0 6 $\frac{1}{2}$	0 6 $\frac{1}{2}$	3 3 9	. . .	. . .	1 7 $\frac{1}{2}$	2 0 $\frac{1}{2}$	3 3 9		
0 6 $\frac{7}{8}$	0 6 $\frac{3}{4}$	3 7 11	. . .	. . .	1 7 $\frac{7}{8}$	2 0 $\frac{3}{4}$	3 7 11		
—	—	—	—	—	—	—	—		
0 4	0 4	. . .	0 3	0 6	0 7	0 10	3 7 11		
—	—	3 6 8	. . .	. . .	0 7	0 10	3 6 8		
—	—	—	—	—	—	—	—		
—	—	—	—	—	—	—	—		
—	—	—	—	—	—	—	—		
0 4	0 4 $\frac{3}{4}$	3 19 2	. . .	. . .	0 7 $\frac{3}{4}$	0 10 $\frac{3}{4}$	3 19 2		
—	0 5 $\frac{1}{2}$	Nil.	0 7 $\frac{3}{4}$	0 11 $\frac{1}{2}$	Nil.		
—	—	—	—	—	—	—	—		
—	—	—	—	—	—	—	—		
—	—	—	—	—	—	—	—		
—	—	—	—	—	—	—	—		
Repealed from 5th July 1819.	—	—	1 0	1 6	1 0	1 6	—		
—	—	—	—	—	—	—	—		
—	—	—	—	—	—	—	—		
—	—	—	—	—	—	—	—		
—	—	—	—	—	—	—	—		
0 6	0 9	. . .	Rep. from 5 April 1825.	—	0 6	0 9	—		
—	—	—	—	—	—	—	—		
—	—	—	—	—	—	—	—		
—	—	—	—	—	—	—	—		

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87.6

An Account of the QUANTITIES of GLASS which have paid the Duties of CUSTOMS and EXCISE for HOME CONSUMPTION, stating the Rate of Duty paid to the Customs and Excise, and the total of both; also the total Net Amount of Revenue received in each year since the year 1789.

[illegible]

An Account of the QUANTITIES of SPIRITS made in IRELAND and in SCOTLAND, which have paid the Duties of Excise for Home Consumption; stating the rate of Duty paid; and also, the Net Amount of Revenue received in each Year, since the Year 1820.

Years.	IRELAND.			SCOTLAND.		
	Number of Gallons.	Rate per Gallon.	Net Amount of Revenue.	Number of Gallons.	Rate per Gallon.	Net Amount of Revenue.
	Imperial Measure.		£. s. d.	Imperial Measure.		£. s. d.
1821	2,649,170	5s. 6d. per Irish Gallon.	912,288 7 5	2,929,435	5/6 per English Wine Gallon.	727,650 19 7
1822	2,328,387	. . Ditto	797,518 13 3	2,079,556	. . Ditto	691,136 6 6
1823	3,348,505	. . Ditto	634,460 7 2	2,232,728	. . Ditto	536,654 17 8
		{ From 10th October, 1813, 2s. per English Wine Gallon.			{ From 10th October, 1823, 2s. per English Wine Gallon.	
1824	6,690,315	. . Ditto	771,690 16 0	4,350,301	. . Ditto	520,624 18 4
1825	9,262,744	. . Ditto	1,084,191 6 5	5,981,550	. . Ditto	682,848 11 1
1826	6,837,408	2/10 per Imperial Gallon	964,509 10 8	3,988,788	2/10 per Imperial Gallon.	563,263 4 0
1827	8,260,919	. . Ditto	1,122,096 14 11	4,752,199	. . Ditto	672,441 6 6
1828	9,937,903	. . Ditto	1,395,721 12 10	5,716,180	. . Ditto	809,559 6 7

APPENDIX.—No. III.

PROTECTING DUTIES.

TABLE I.

A LIST of ARTICLES of British Manufacture not exposed to injury from Foreign competition, and of the Duties now charged upon similar Foreign Manufactures :—

		£	s.	d.
Brass manufacture	per cwt.	30	0	0
Copper ditto	do.	30	0	0
Cotton ditto	do.	10	0	0
Earthenware ditto	do.	15	0	0
Glass (crown)	do.	8	6	8
— (German sheet)	do.	10	0	0
Hats (felt)	each	0	10	6
— (chip, cane)	dozen, from £1 0 to 2 16 0			
— (straw)	ditto 3 8 to 6 16 0			
Japanned ware	per cent.	20	0	0
Iron (wrought)	do.	20	0	0
Lace	do.	30	0	0
Pewter Manufacture	do.	20	0	0
Steel ditto	do.	20	0	0
Tin ditto	do.	20	0	0
Tobacco manufactured	per lb.	0	9	6
Woollen ditto	per cent.	15	0	0

TABLE II.

A LIST of ARTICLES of British Manufacture, erroneously supposed to be liable to injury from Foreign competition, and of the Duties on similar Foreign Manufactures :—

Books, being Editions printed prior to the Year 1801	per cwt.	1	0	0
—, printed since 1801	do.	5	0	0
—, if first composed, or written or printed in the United Kingdom, prohibited by 6 Geo. IV. c. 107. § 52; except Books not reprinted in the United Kingdom within twenty Years, and Books not for sale				
Candles, Tallow	per cwt.	3	3	4
— Wax	per lb.	0	2	6
China Ware	per cent.	15	0	0
Glass (plate)	per foot, from 6s. to	0	11	0
Gloves, Men's	per dozen pair	0	5	0
—, Women's	do.	0	40	

		£.	s.	d.
Jewellery	per cent.	20	0	0
Leather Manufactures	do.	30	0	0
Linen ditto (on average)	do.	40	0	0
Paper (stained)	per square yard	0	1	0
— (waste or other)	per lb.	0	0	9
— (made of old rope)	do.	0	0	3
Plate of Gold	per oz.	3	16	9
— of Silver	do.	0	4	6
Silk Manufacture	per cent.	30	0	0
Sugar (refined)	do.	8	8	0
Spirits	per gallon.	1	2	6
Watches	per cent.	25	0	0

TABLE III.

A LIST of ARTICLES of British Manufacture, of minor importance, and of the Duties on similar Foreign Manufactures:—

Baskets	per cent.	20	0	0
Blacking	per cwt.	3	12	0
Boxes	per cent.	20	0	0
Brocade of Gold and Silver	do.	30	0	0
Buttons	do.	20	0	0
Cables	per cwt.	0	10	0
Candlewick	do.	4	8	8
Cards (playing)	per dozen packs	4	0	0
Casks (empty)	per cent.	50	0	0
Gunpowder	per cwt.	3	0	0
Corks (ready made)	per lb.	3	7	0
Embroidery and Needle-work	per cent.	30	0	0
Furs, dressed	do.	75	0	0
Haberdashery and Apparel	do.	20	0	0
Instruments of Science	do.	20	0	0
— Music	do.	20	0	0
Matting	do.	20	0	0
Mattresses	do.	20	0	9
Models	do.	5	0	0
Parchment	per dozen skins	0	10	0
Pasteboard	per cwt.	3	8	2
Pencils	per cent.	30	0	0
Pens	do.	30	0	0
Sealing Wax	do.	30	0	0
Tiles	do.	15	0	0
Manufactures of Hair or Goat's Wool, wholly } or partly made up	do.	30	0	0
Ditto of Linen, made up	do.	40	0	0
Ditto of Cotton or Woollen	do.	20	0	0
All goods being in part or wholly manufactured, } and not being described in the Schedule of the Customs Duty Act of 6 Geo. IV. c. 111. }	do.	20	0	0

TABLE IV.

A LIST of ARTICLES, being of English Manufacture, serving as prepared Materials for other Manufactures; and of the Duties on similar Foreign Manufactures.

		£.	s.	d.
Aquafortis	per cwt.	0	14	3
Copperas, White	do.	0	12	0
Cordage	do.	0	10	9
Glue	do.	0	12	0
Hemp, dressed	do.	4	15	0
Hides, tanned	per lb.	0	1	0
Ink, Printers'	per cwt.	1	1	0
Mercury, prepared	per cent.	30	0	0
Mill Boards	per cwt.	3	8	2
Platting of Bast, Chip, Cane, or Horse Hair	per lb.	1	0	0
Ditto of Straw	do.	0	17	0
Pots of Stone	per cent.	30	0	0
Skins (Calf), tanned	per lb.	0	1	0
— (Sheep), ditto	per 100 skins.	2	0	0
— (Kid), ditto	do.	0	15	0
Soap, Hard	per cwt.	4	13	0
—, Soft	do.	3	11	3
Thread	the dozen lbs.	0	15	0
Thrown Silk	per lb.	0	7	6
Twine	per cwt.	1	11	0
Varnish	per cent.	30	0	0
Verjuice	per ton.	73	12	9
Verdigris	per lb.	0	2	0
Vinegar, or Acetous Acid	per ton.	18	18	0
Wire, Brass, or Copper	per cwt.	2	10	0
Ditto, gilt or plated	do.	25	0	0

APPENDIX.—No. IV.

AN ACCOUNT OF THE EXPENDITURE DURING THE WARS OF
1793 AND 1803, EXCLUSIVE OF THE INTEREST ON THE DEBT
CONTRACTED SUBSEQUENT TO 1792, AND OF THE REVENUE
PAID INTO THE EXCHEQUER.

An Account of the TOTAL CHARGE on the UNREDEEMED Sinking Fund, and exclusive of the Charge upon all Loans raised since any in each subsequent year to the 5th January, 1816, making deduction in the Year ending 5th January, 1793, and in each subsequent on the Debt due the 5th January, 1793, and of the Charge for any January, 1793 :—also, The Total Net Revenue paid into the Exchequer showing the Excess, if any, of the Expenditure, or the Excess, if any, ditire over Revenue.

Years ending 5th January	1.	2.	3.
	CHARGE Of the Unredeemed Fund- ed Debt, and on the Un- funded Debt, (exclusive of Sinking Fund, and ex- clusive of the Charge upon all Loans raised since 1792,) as it stood on 5th Jan. 1793, and on the 5th Jan. in each sub- sequent Year to 5th Jan. 1816, making deductions for the Annuities that fell in in that Period.	TOTAL Public Expenditure in the Year ending 5th Jan. 1793, and in each subsequent Year to the 5th Jan. 1816, exclusive of the Sinking Fund on the Debt due on the 5th Jan. 1793, and of the Charge of any Debt, Funded or Unfunded, that was contracted subsequent to the 5th Jan. 1793.	TOTAL Columns No. 1. and No. 2.
	£. s. d.	£. s. d.	£. s. d.
1793	9,624,088 8 5 $\frac{1}{4}$	7,670,108 5 2	17,294,196 13 7 $\frac{1}{4}$
1794	9,623,441 5 8 $\frac{3}{4}$	14,759,206 15 11 $\frac{1}{2}$	24,382,648 1 8 $\frac{1}{4}$
1795	9,622,237 8 2	19,702,489 2 11 $\frac{1}{2}$	29,324,726 11 1 $\frac{1}{2}$
1796	9,620,466 3 1	34,300,764 17 4	43,921,231 0 5
1797	9,618,550 15 0	45,814,275 8 11 $\frac{3}{4}$	55,432,826 3 11 $\frac{3}{4}$
1798	9,614,818 10 11 $\frac{1}{2}$	36,202,873 13 11 $\frac{1}{2}$	45,817,692 4 11
1799	9,613,055 15 4 $\frac{1}{2}$	33,279,071 18 5 $\frac{3}{4}$	42,892,127 13 10 $\frac{1}{4}$
1800	9,611,668 10 8 $\frac{3}{4}$	38,166,697 19 7 $\frac{1}{2}$	47,778,366 10 4 $\frac{1}{4}$
1801	9,609,884 13 5	39,074,449 13 11 $\frac{1}{2}$	48,684,334 7 4 $\frac{1}{2}$
1802	9,607,659 0 8	40,690,486 9 6 $\frac{1}{4}$	50,298,145 10 2 $\frac{3}{4}$
1803	9,606,509 16 8	29,610,471 2 3 $\frac{1}{4}$	39,216,980 18 11 $\frac{1}{4}$
1804	9,581,270 13 1 $\frac{3}{4}$	28,289,364 9 0 $\frac{1}{4}$	37,870,635 2 2
1805	9,580,272 3 1 $\frac{1}{2}$	37,876,084 9 4 $\frac{1}{2}$	47,456,356 12 6
1806	9,548,920 6 3 $\frac{1}{4}$	44,765,873 0 10 $\frac{3}{4}$	54,314,793 7 2
1807	9,538,508 1 7 $\frac{1}{4}$	45,485,499 7 0	55,024,007 8 7 $\frac{1}{4}$
1808	9,524,724 1 5 $\frac{1}{2}$	43,970,956 9 8	53,495,680 11 1 $\frac{1}{2}$
1809	9,104,238 8 7	49,821,335 7 0	58,925,573 15 7
1810	9,103,379 7 3	52,274,730 5 0 $\frac{1}{2}$	61,378,109 12 3 $\frac{1}{2}$
1811	9,102,580 17 2 $\frac{1}{2}$	52,551,395 4 3 $\frac{1}{4}$	61,653,976 1 6
1812	9,101,931 10 11 $\frac{1}{2}$	58,646,377 8 3 $\frac{1}{2}$	67,748,308 19 2 $\frac{3}{4}$
1813	9,101,399 7 7 $\frac{1}{2}$	60,604,064 7 7 $\frac{1}{2}$	69,705,463 15 3
1814	9,100,154 8 1	77,406,919 8 6	86,507,073 16 7
1815	9,098,917 16 4 $\frac{1}{4}$	76,227,766 18 10	85,326,684 15 2 $\frac{1}{4}$
1816	9,098,046 6 10 $\frac{1}{4}$	60,559,275 15 11 $\frac{1}{2}$	69,657,322 2 9 $\frac{3}{4}$
	226,356,723 16 8 $\frac{3}{4}$	1,027,750,537 19 9	1,254,107,261 16 5 $\frac{3}{4}$

Whitehall, Treasury Chambers,
5th May, 1828.

GEO. R. DAWSON.

FUNDED DEBT, and on the UNFUNDED DEBT, (exclusive of 1792,) as it stood on the the 5th January, 1793, and on the 5th Janu- tions for Annuities that fell in, in that period:—The Total Public sequent Year to the 5th January 1816, exclusive of the Sinking Fund Debt, Funded or Unfunded, that was contracted subsequent to the 5th in the year 1793, and in each subsequent year to 5th January, 1816; of Revenue over the Expenditure, together with the Total of Expen-

4.	5.	6.
TOTAL Net Revenue paid into the Exchequer in the Year 1793, and in each subsequent Year to 5th January, 1816.	The EXCESS, if any, of Expenditure, in Column 3, over the Revenue in Column 4.	The EXCESS, if any, of Revenue, in Column 4, over the Expenditure in Column 3.
<div>£. s. d.</div> <div>19,258,814 6 4$\frac{1}{4}$</div> <div>19,845,705 10 4</div> <div>20,193,074 4 6$\frac{1}{2}$</div> <div>19,883,520 13 0$\frac{3}{4}$</div> <div>21,454,728 4 5$\frac{1}{4}$</div> <div>23,126,940 7 1</div> <div>31,035,363 2 4$\frac{1}{4}$</div> <div>35,602,444 8 11$\frac{1}{4}$</div> <div>34,145,584 4 1</div> <div>34,113,146 18 4$\frac{3}{4}$</div> <div>36,368,149 14 5</div> <div>38,609,392 8 6</div> <div>46,176,492 19 8</div> <div>50,897,706 5 10$\frac{1}{4}$</div> <div>55,796,086 8 2</div> <div>59,339,321 19 4$\frac{1}{4}$</div> <div>62,498,191 9 7$\frac{3}{4}$</div> <div>63,719,400 18 11</div> <div>67,144,542 18 4$\frac{1}{4}$</div> <div>65,173,545 12 8$\frac{3}{4}$</div> <div>65,037,850 1 7</div> <div>68,748,363 6 3</div> <div>71,134,503 2 2$\frac{1}{2}$</div> <div>72,210,512 15 7$\frac{1}{4}$</div>	<div>£. s. d.</div> <div>4,536,942 11 4$\frac{1}{4}$</div> <div>9,131,652 6 7</div> <div>24,037,710 7 4$\frac{1}{4}$</div> <div>33,978,097 19 6$\frac{1}{2}$</div> <div>22,690,751 17 10</div> <div>11,856,764 11 6</div> <div>12,175,922 1 5</div> <div>14,538,750 3 3$\frac{1}{2}$</div> <div>16,184,998 11 10</div> <div>2,848,831 4 6$\frac{1}{4}$</div> <div>1,279,863 12 10</div> <div>3,417,087 1 3$\frac{3}{4}$</div> <div>.</div> <div>.</div> <div>.</div> <div>.</div> <div>.</div> <div>2,574,763 6 6</div> <div>4,667,613 13 8</div> <div>17,758,710 10 4</div> <div>14,192,181 12 11$\frac{3}{4}$</div> <div>.</div>	<div>£. s. d.</div> <div>1,964,617 12 9</div> <div>738,757 6 4</div> <div>772,078 19 6$\frac{3}{4}$</div> <div>6,843,641 8 2$\frac{3}{4}$</div> <div>3,572,617 14 0$\frac{3}{4}$</div> <div>2,341,291 6 7$\frac{1}{2}$</div> <div>5,490,566 16 10$\frac{1}{4}$</div> <div>2,553,090 12 9$\frac{1}{2}$</div> <div>23,276,761 17 2$\frac{1}{2}$</div>
1,081,513,382 0 10	195,870,641 12 10 $\frac{1}{4}$	
Deduct Excess of Re- venue . . . }	23,276,761 17 2 $\frac{1}{2}$	
Excess of Expenditure over Revenue . }	172,593,879 15 7 $\frac{3}{4}$	

No. V.

National Debt Office, 12th April, 1828.

RETURN to an Order of the Honourable the Select Committee of the House of Commons on Finance; requiring Answers to the following Questions:—

QUESTION.

First.—If three per cent. Stock should be at such prices as to yield Interest at the rate of three and a half and four per cent. respectively; and if the sum of One Million a-year were applied in converting three per cent. Stock into Annuities for 35, 40, 45, 50, 55, 60, 65, 70, 75, 80, 85, and 90 years, how much Stock could be so converted, supposing the said sum of One Million to be divided into twelve equal parts, and each part into one of the before-mentioned Annuities?

ANSWER:

The Annuity for 35 years should be converted for Stock	When the interest of money, payable half-yearly, is at the rate of	
	3½ per cent.	4 per cent.
£6,578,578	8,332,106	
40	8,351,089	10,765,109
45	10,459,391	13,730,925
50	12,967,100	17,346,239
55	15,949,881	21,753,287
60	19,497,733	27,125,453
65	23,717,705	33,674,094
70	28,737,046	41,656,850
75	34,707,455	41,387,786
80	41,808,823	63,249,744
85	50,255,510	77,709,403
90	60,302,377	95,335,644
	<u>£313,332,688</u>	<u>£462,066,640</u>

QUESTION:

Second.—How large an amount of three per cent. Stock ought to be converted into a terminable Annuity of 30, 40, or 50 years, on payment of a bonus of One Million Sterling, when Stocks are at such prices as to yield interest at the rate of 3, 4, and 5 per cent. respectively?

ANSWER:

And when the Stocks yield interest at the rate of		When the Annuity terminates in		
		30 years.	40 years.	50 years.
3 per cent.	The said Bonus should afford a conversion of the adjoining capitals in 3 per cents.	£2,443,220	£3,290,663	£4,432,046
4 per cent.		4,374,708	6,500,586	9,659,528
5 per cent.		7,332,983	12,015,946	19,689,527

J. FINLAYSON,
Actuary of the National Debt.

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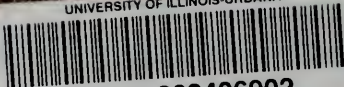
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